

CALIFORNIA DEPARTMENT OF INSURANCE

CREDIT LIFE AND DISABILITY STANDARD POLICY FORMS AND ADMINISTRATION REGULATIONS

TITLE 10, CALIFORNIA CODE OF REGULATIONS, CHAPTER 5, SUBCHAPTER 2
ARTICLES 6.7 AND 6.9

SECOND AMENDED TEXT OF REGULATION

DATE: August 11, 2006
REGULATION FILE: RH04041147

1. Amend § 2248.4 to read:

2248.4. Premiums. (a) The amount charged to a debtor for any credit life or credit disability insurance shall not exceed the premium rates filed with the Commissioner for the coverage provided or the premiums charged by the insurer, as computed at the time the charge to the debtor is determined, whichever is less.

(b) If the creditor adds identifiable insurance charges or premiums for credit insurance to the total amount of the indebtedness and makes any direct or indirect finance, carrying, credit or service charge whatever to the debtor in connection with such insurance charge, the creditor is deemed to have loaned the premium or insurance charge to the debtor and the premium or insurance charge is deemed collected for the insurer as soon as it is added to the indebtedness, in which event, the creditor must remit and the insurer shall collect on a single premium basis only.

(c) A creditor may remit and an insurer may collect premiums on the monthly balance basis on revolving credit accounts. ~~Personal property brokers and industrial loan companies are not authorized under the California Financial Code to provide credit disability insurance on revolving credit accounts.~~

(d) A creditor may remit and an insurer may collect premiums on the monthly balance basis on indebtedness repayable during a fixed period (non-revolving accounts) for both credit life insurance and credit disability insurance.

(e) When premiums are remitted on the monthly balance basis, either on a revolving account or a fixed indebtedness period basis, the charge for the premium shall be shown separately from the balance of the loan and any payment received by the creditor shall first be applied to pay the credit insurance premium. Only in the event no payment is made or the payment made is insufficient to satisfy the premium charge, may the creditor add the unpaid premium to the loan and remit it to the insurers.

NOTE: Authority cited: § 779.21, ~~779.36~~, California Insurance Code. Reference: Sections 779.21 and 779.13, California Insurance Code.

2. Repeal Sections 2248.11 and 2248.12 as follows:

~~§2248.11. Compensation.~~

~~(a) In general. The term "compensation," for the purpose of these regulations means any valuable consideration including, but not limited to, or credited commissions, contingent commissions, service fees, fees, consulting fees paid or credited within or outside this State in relation to business produced or to be produced or written or to be written in this State, electronic data process equipment or services, supplies (other than forms approved by the Commissioner and the usual claims and reporting forms and envelopes for transmitting such claims and brochures, rate books and rate charts), rental equipment of any type advertising, telephone provided by an insurer, its agent or any other related person without charge~~

of actual charge or at charge less than the usual cost, profit sharing plans, experience rating refunds, experience rating credits, dividends, expense allowances, stock plans or bonuses, and any other form of credit, including monies, commissions for reinsurance ceded or assumed, reinsurance in captive reinsurance companies owned or controlled by creditors, insurance agents or insurance brokers, or expenditures in any form whatsoever, direct or indirect, paid by or on behalf of the insurer, or by any subsidiary or parent, or subsidiary of the parent of the insurer, or by any other person to or on behalf of any group policyholder, agent, general agent or disability broker or withheld by any group policyholder, agent, general agent or disability broker.

(b) ~~Credit Unions—Limitations and Prohibitions.~~ State and federal laws and regulations applicable to credit unions prohibit profit to a credit union and any compensation to its officers, employees, and members in connection with the insurance activities of the credit union. Credit unions are authorized to receive reimbursement only by the actual cost of ministerial tasks performed pertaining to insurance. For the purpose of these regulations, the Commissioner will presume an insurer to be acting in conformity with applicable state and federal laws and regulations expenses, if payment to a credit union for expenses incurred in connection with a credit life or credit disability insurance transaction does not exceed \$2.00 per each credit life or disability transaction, but not exceeding \$3.00 per each combined credit life and disability transaction. In the case of revolving accounts these presumptive charges can be made once at the time coverage is initially provided. These presumptive reimbursement rates shall be applicable only where the entire premium charge for the insurance is borne by the member debtor. Any compensation, as defined in subsection (a) above of this Section, in excess of that specified herein by any insurer or of its agents or general agents shall be conclusively presumed to be an unlawful rebate. Compensation of any kind to an officer, employee, or member of a credit union in connection with insurance activities of the credit union is prohibited. This prohibition may not be circumvented by licensing such officer, employee, or member as an insurance agent or broker. The maximum compensation allowable to a general agent shall be 7.5 % of the prima facie credit life insurance rates, and 6.25 % of the prima facie credit disability insurance rates (Table C).

(c) ~~Maximum Compensation.~~ On or after April 1, 1979, the maximum amount of total compensation, as defined in subsection (a) of this section, payable by an insurer shall not exceed the rates of maximum compensations specified in Column (6) of Table 1 for credit life insurance plans and in Column (10) of Table 1 for credit disability insurance plans. Of such maximum total compensation allowable, the general agent shall be limited to a compensation rate determined by the following formula:

$$E^G = (E^T - .05)/4$$

where E^T = Maximum rate of total compensation is determined from either Column (6) or Column E^G = Maximum rate of compensation to the General Agent

Of such maximum total compensation allowable the creditor shall be limited to a compensation rate determined by the following formula:

$$E^C = (E^T - E^G).$$

Such rates of maximum compensation are to be applied to the net premium on the creditor size adjusted basis. The term “net premium” for this purpose means gross premiums less premiums. If the Commissioner has reason to believe that compensation is in fact or is contracted to be in excess of the maximum amount specified above in this section, the Commissioner may conduct a hearing or investigation, including the right to examine any contracts relating to the direct or indirect payment of compensation, to determine whether the insurer, general agent, or any other person is paying or whether an agent, general agent, or broker is receiving any form of compensation in excess of the

(d) ~~Nothing in these regulations shall be construed to authorize the payment of any form of compensation to any creditor or to any person otherwise prohibited from receiving such form of compensation. Nor shall these regulations be construed to authorize the payment of experience rating refunds prior to the anniversary date of the policy, and any such refunds shall be computed annually based on premiums earned to that anniversary date.~~

NOTE: Authority cited: § 779.21, California Insurance Code. Reference: Sections 779.9, California Insurance Code.

~~§2248.12. Compensating Balances or Special Deposits Prohibited.~~

~~(a) On and after the effective date of these regulations, the continuation or the use of compensating balances or special deposit accounts in connection, either directly or indirectly, with a credit life insurance program and/or a credit disability insurance program (whether on a group or an individual basis) of a credit institution is prohibited as being an illegal inducement and in violation of Section 750 and 751 of the Insurance Code, and an unfair practice in violation of Article 6.5, Chapter 1, Part 2, Division 1, of the Insurance Code.~~

~~(b) Compensating balances and/or special deposit accounts include (but not to the exclusion of other types of balances and accounts):~~

~~(1) the deposit or premiums to the account of the insurer in the financial institution for which the insurer provides the credit insurance program, when such account is either non-interest bearing or at a rate of interest less than usual or is controlled by the institution;~~

~~(2) remitting premiums to the insurer after the expiry of the grace period on a regular basis so that the arrearage period is constant;~~

~~(3) the retention of premiums by an agent or broker to whom the financial institution remits premiums for a period time which is not reasonably related to the time normally expected to be needed for the agent or broker to remit the premium to the insurer, if such delay is a continuing feature of the premium paying process; and~~

~~(4) any other practice which unduly delays receipt of premiums by the insurer on a regular basis, or which is followed by an insurer when such practice involves use the financial resources of the insurer for the benefit of the credit institution.~~

~~(c) The foregoing criteria apply regardless of whether premiums are due the insurer on the single premium in advance system or on the monthly outstanding balance system. Nothing herein shall prevent the insurer from making deposits in a financial institution which are not related to a credit insurance program if it is in fact not related to whether the insurer is the insurer which insures the credit insurance program.~~

~~NOTE: Authority cited: § 779.21, California Insurance Code.~~

3. Repeal § 2248.19 as follows:

~~§2248.19. Disabled Lives Reserve Development Form CDP.~~

~~In the event the Commissioner finds it necessary to require a detailed analysis of the development of the disabled lives reserves for credit disability insurance, such analysis will be prepared using Form CDR.~~

~~NOTE: Authority cited: § 779.21, California Insurance Code.~~

4. Amend § 2249.1 to read:

2249.1. Table of Contents.

- 2249.2. Forms Subject to Prior Substantive Review and Approval.
- 2249.3. Administration of Forms.
- 2249.4. Forms Subject to Presumptive Approval; Maintenance of File; Certificate of Compliance.
- 2249.5. Reservation of Right to Require Prior Approval.
- 2249.6. Instructions for Drafting and Use.

- 2249.7. Identification Number Chart
- 2249.8. List of Block Numbers for Each Identification Number - Individual Policies.
- 2249.9. List of Block Numbers for Each Identification Number - Group Certificates.
- 2249.10. Schedule Blocks
- 2249.11. Application Blocks
- 2249.12. Policy and Certificate Blocks
- 2249.13. Notice of Proposed Insurance Blocks.
- 2249.14. Sample ~~Policy~~ Certificate (Identification Number 11).
- 2249.15. Effective Date.
- 2249.16. Severability Provision.

HISTORY: Note: Authority cited: § 779.27, Ins. C.. Reference: § 779.27, Ins. C.; ~~§§ 2248.2, 2248.16, Title 10, Cal. Code of Regs.~~

5. Amend § 2249.2 to read:

2249.2. Forms Subject to Prior Substantive Review and Approval. The following credit life and/or credit disability insurance forms shall be submitted to the Commissioner for his prior substantive review and approval following the procedures established by §§ ~~2200~~ 2201 through 2217 of this Subchapter:

(a) Standard forms for use by an insurer which has not actively transacted a substantial volume of credit life and/or disability insurance in the State of California for a year prior to the ~~effective date of this regulation~~ date upon which the forms are proposed to be issued, unless and until such prior substantive review is expressly waived by the Commissioner in writing.

(b) Forms intended for use in lieu of the standard forms established by this Article. Cover letters for submission of such forms shall prominently state that the forms are to be issued in lieu of standard forms.

(c) Forms or provisions in forms not otherwise subject to this Section which provide coverages in addition to or different from the coverages provided by the forms established by this Article.

(d) Forms described in Subsections (b) and (c) of this Section shall be drafted in text designed to be readily understood and interpreted by the persons insured thereunder and shall be based, to the extent possible, upon the standard forms established. Non-standard language in such forms shall be "highlighted" when they are submitted for review. Each such form shall use the Identification Number of the standard form upon which it was based, with "NON STD" added as a prefix or suffix.

~~The Department may, from time to time and at its discretion, disseminate in written or electronic form to interested persons, specimens of non standard language which it has previously approved for use in circumstances which are not addressed in these regulations. The Department's Internet web site is <http://www.insurance.ca.gov>.~~

The Commissioner shall disapprove such a form:

(1) If it would produce experience statistics which would not be readily usable in developing prima facie premium rates.

- (2) If it uses atypical language or format and would, therefore, hinder consumer education.
- (3) If it is not established to his satisfaction that its use will be more beneficial to the citizens of this State than the use of standard forms;
- (4) It does not comply with any other applicable statute or regulation.

NOTE: Authority cited: §§ 779.21 and 779.27, Ins. C. Reference: §§ 779.1-779.10, 779.12a, 779.14, 779.18, 779.27, 10110-10113.5, 10115, 10141, 10142, 10270.6, 10320, 10321, 10323, 10324, 10328, 10350-10350.12, 10369.1, 10369.4, 10369.6, 10369.8-10369.10, Ins. C.; §§ 18290-18292, Fin. C.

NOTE: Authority cited: §§ 779.21 and 779.27, Ins. C. Reference: §§ ~~510, 779.1-779.8, 779.9, 779.10, 779.12a, 779.14, 779.18, 779.27, 779.31, 10110, 10111.2, 10111.5, 10113, 10113.5, 10115, 10141, 10142, 10203.5, 10203.55, 10206, 10207, 10209, 10270.505, 10270.6, 10270.94, 10290, 10291, 10320, 10321, 10323, 10324, 10237, 10328, 10350-10350.12, 10369.1, 10369.3, 10381.5, Ins. C.; §§ 18290-18292, 22314, 22315, 22455, Fin. C.; § 2248.33, Title 10, Cal Code of Regs.~~

6. Amend §§ 2249.6 to read:

2249.6. Instructions for Drafting and Use. (a) Generally. This Article does not supersede any other statutes or regulations pertaining to the use of particular types of forms in certain circumstances. (For example, only group forms may be used by credit unions.)

The standard forms set forth below reflect 30 day elimination period coverage, but any other permissible coverage may be substituted. The designation of the coverage may be preprinted or filled in later. Terms, such as "borrower", "creditor", ~~and "loan" and "advance"~~, appearing in the standard forms may be varied, provided that such variance is required by the circumstances of use and that the substituted terms are consistent and not misleading. Age "66" may be substituted for "65" where it appears in the standard forms. Forms with ages other than those set forth in these regulations must be submitted for approval on a non-standard basis pursuant to § 2249.2(d).

Standard and non-standard forms shall be printed in type which complies with the standard of Ins. C. § 10320(d).

Where debtors may elect among several coverages, insurers may use forms which provide all the coverages offered. However, forms showing coverages which are not available to the debtors to be covered may not be used.

(b) Drafting Instructions for Individual Policies and Group Certificates. Standard policy and certificate forms shall be assembled from the Blocks of text set forth in §§ 2249.10 through 2249.12 of this Article as follows:

(1) Select the appropriate Identification Number for the desired coverage from the Identification Number Chart in § 2249.7 of this Article. (Note that the Identification Number refers to the coverage provided rather than to the type of document.)

(2) Depending upon whether an individual policy or a group certificate is being drafted, enter the appropriate List of Block Numbers for Each Identification Number (§ 2249.8 or 2249.9 of this Article) with the selected Identification Number. The sequence of text blocks is indicated by the block numbers following each Identification Number.

(3) An illustrative sample Identification Number + ~~11 Individual Policy Certificate~~ is set forth in § 2249.14 of this Article.

(c) Schedules. Schedule Blocks may appear in any sequence which is not misleading or confusing. The reference to maximum benefits in the schedule may be deleted if benefits are not subject to a maximum. Additional schedule items may be added to the schedule if the net effect of such additions is not confusing or misleading. Schedule Blocks specified for each policy or certificate must not be deleted. The insurer must be able to identify the seller of any

particular policy or certificate by means of the designation "Source Code." Every policy or certificate must indicate the rate class by means of the designation of "Class of Business."

(d) Applications. The following text may be inserted in applications:

"I want insurance__

I do not want insurance__"

"You understand you do not have to buy this insurance to get your loan approved."

The medical application, Application Block AP 20, or any portion thereof, may be used with any form. The numbered paragraphs in the non-medical application for the type of coverage being applied for should be substituted for paragraphs 2 through 4 in the subscription agreement in AP 20 when they differ from the AP 20 text. For applications to be used with ID forms 18 through 22 and 25 through 29, also replace the phrase, "Your signature below means that" sentence, "You are applying for the credit insurance marked above." in AP 20, with the following: "You are applying for the credit insurance marked above and authorizing the Creditor to add the charges for insurance to your loan each month as they become due. You have the right to stop this authorization. Your signature means that you agree that." Retain the second standard sentence, "You should understand that . . . cancel your insurance protection." The medical application may be formatted so that questions apply separately to co-borrowers.

"Date of Birth" may be substituted for "age" in the signature blanks in the applications.

The phrase "(Refer to "Total Disabilities Not Covered" in your policy for details.)" shall be changed to "(Refer to the Notice of Proposed Insurance for details.)" in applications which are used with Notices of Proposed Insurance.

(e) Policy and Certificate Blocks. The sequence of these blocks must not vary from that set forth in §§ 2249.8 and 2249.9 of this Article.

Policies or certificates which include disability coverage and which are not printed on the same document as the application shall contain the following text on the front page: "DISABILITY INSURANCE MAY NOT COVER CONDITIONS FOR WHICH YOU HAVE SEEN A DOCTOR OR A CHIROPRACTOR IN THE LAST SIX MONTHS. (Refer to "Total Disabilities Not Covered" in this policy for details.)"

(f) Dividend Provision. The following text may be inserted in an appropriate location where required by law:

"Our Board of Directors will determine annually whether a dividend will be paid on this policy."

(g) Block Numbers. Block numbers shall not appear on forms drafted in accordance with this Article.

(h) Notices of Proposed Insurance. The standard Notices of Proposed Insurance shall be assembled from the Notice of Proposed Insurance Blocks set forth in § 2249.13 in the same manner as the standard policies and certificates. The Notice of Proposed Insurance Block sequences are listed following "NOPI:" in § 2249.9. (Notices of Proposed insurance are the same for individual policies and group certificates.) The wording "policy or certificate " may be changed to refer only to "policy" or only to "certificate" if desired.

(i) Form Numbers and Identification Numbers. All forms drafted in accordance with this Article shall be identified by a form number in the lower left corner of the front of the document. Such forms shall indicate the Identification Number of the coverage provided in the lower right corner of the page upon which the form number appears, except for those forms which do not reflect a specific coverage or coverages.

(j) Group Master Policies. ~~Existing~~ Group master policies may be brought into conformity with this Article by adding an amendatory endorsement to the effect of "Policy _____ is hereby amended to provide coverage exactly as described in Certificate(s) _____ attached."

(k) Partial Payoff. Forms covering only a portion of a loan which exceeds the insurer's maximum benefit levels must include the paragraph captioned "Partial Payoff" as set out below. The paragraph referring to life insurance may be eliminated if only disability insurance is provided, and the paragraph referring to disability insurance may be eliminated if only life insurance is provided. The "Partial Payoff" paragraph must be the final paragraph in the section titled "WHAT WE WON'T PAY."

"Partial Payoff

"If the Original Amount of Life Insurance shown in the Schedule is less than the original amount of your debt, the life insurance benefit ~~will~~ may not completely pay off your debt. See the paragraph titled "Amount of Life Insurance" to calculate the partial payoff.

"If the Monthly Total Disability Benefit shown in the Schedule is less than your Monthly Loan Payment, you will have to pay the creditor the difference each month to keep your loan from being delinquent."

In addition, the face page of the policy or certificate must have a ~~red~~ prominent overprint or provision reading: "Warning: This insurance may not be enough to completely pay off your loan." Also, "We will not pay more than the Maximum Amount of Life Insurance in the Schedule," shall be added to the end of the Amount of Life Insurance provision, as appropriate.

The "Partial Payoff" provision may ~~only~~ not be used with Identification Numbers ~~1 through 5, 16 and 17 and 30 through 34~~ 6 through 10.

Forms which use any other system for partial coverage must be submitted for approval pursuant to § 2249.2 of this Article.

~~(l) Revolving Credit Accounts. Credit disability insurance may be provided on revolving credit accounts by the use of Identification Numbers 18 through 20. Credit Union Open End and Credit Card Coverages.~~

(1) Forms providing life insurance coverage on Credit Union Open End loans, as defined in §2248.31, may use Policy and Certificate Block PC 3 in lieu of Block PE 3.

(2) Forms providing disability coverage on "credit cards" subject to Ins. C. §779.30(f) shall use Policy and Certificate Block PJ 1 in lieu of Block PJ 2. Notices of Proposed Insurance, if any, shall use Notice of Proposed Insurance Block C-1 in lieu of Block C-3

(m) "Critical period" disability coverage may be provided by substituting Text Block PF 4 for Text Block PF 1 from § 2249.12 and adding Schedule Block SC 37 from § 2249.10. Where such coverage is provided, a Partial Payoff paragraph and warning overprint shall be used pursuant to subsection (k). The Partial Payoff disability paragraph shall be replaced with:

"If the remaining term of your loan exceeds the Maximum Disability Benefit Period in the Schedule when you become disabled, you will have to resume payments to the Creditor after the Maximum Disability Benefit Period ends."

If a Notice of Proposed Insurance is used, Notice of Proposed Insurance Block C-4 shall be substituted for Notice of Proposed Insurance Block C-1.

(n) Joint disability coverage may be provided for as follows:

(1) Add the sentence, "If you are insured for joint disability, only one Monthly Total Disability Benefit will be paid for any month in which you are both disabled," to the end of the appropriate standard Total Disability Insurance Benefit text block. If a Notice of Proposed Insurance is used, also insert the quoted sentence immediately before "We won't pay the claim if your disability:", in the Notice provision commencing with, "If you are insured for total disability"

(2) Delete the sentence, "Only the Primary Borrower is eligible for disability insurance." from the application.

(3) For single premium forms, use Schedule Block SC 38 in place of Schedule Block SC 15; for monthly premium forms, use Schedule Blocks SC 39 and SC 40 in place of Schedule Blocks SC 29 and SC 30.

(o) Standard language is not provided in these regulations for:

(1) Life insurance subject to pre-existing conditions limitations. Such coverages must be provided by non-standard forms approved by the Commissioner pursuant to § 2249.2.

(2) Life and health insurance guarantee association summary documents required by Insurance Code § 1067.17. Such documents are exempt from filing under these regulations.

(3) Notices of information practices which may be required by Ins. C. § 791.04. Such notices are exempt from filing under these regulations.

(p) Consumer Contact Notices. If a licensed insurance agent delivers the individual policy or certificate to the debtor, its address and telephone number must be included in the consumer contact notice in Policy and Certificate Blocks PA 1 through PA 4 and in Notice of Proposed Insurance Blocks D-1 and D-2. Either the reference to the Creditor Beneficiary or the reference to the insurer may be omitted from the Department of Insurance consumer contact notice in Policy and Certificate Blocks PA 1 through PA 4 and in Notice of Proposed Insurance Blocks D-1 and D-2. A Creditor Beneficiary shall be referred to in the consumer contact notice if it is a licensed insurance agent that delivers individual policies or certificates to debtors. If a Creditor Beneficiary is referred to in the consumer contact notice, then its address and telephone number must appear in the Creditor Beneficiary Schedule Block or be included in the consumer contact notice.

Note: Authority cited: §§ 779.21 and 779.27, Ins. C. Reference: §§ 779.1, 779.3, 779.6, 779.7, 779.9, 779.12a, 779.18, 779.27, 10127.5 and 10320 (d) and (f), Ins. C.

NOTE: Authority cited: §§ 779.21 and 779.27, Ins. C. Reference: §§ 510, 779.4, 779.10, 779.12a, 779.14, 779.18, 779.27 - 779.31, 10110, 10111.2, 10111.5, 10113, 10113.5, 10115, 10141, 10142, 10203.5, 10203.55, 10206, 10207, 10208, 10209, 10270.505, 10270.6, 10270.94, 10290, 10291, 10320, 10321, 10323, 10324, 10237, 10328, 10350, 10350.12, 10369.1, 10369.3, 10381.5, Ins. C.; §§ 18290-18292, 22314, 22315, 22455, Fin. C.; § 2248.33, Title 10, Cal Code of Regs.

7. Amend §§ 2249.7 to read:

2249.7. Identification Number Chart.

I.D. #	Single Premium	Monthly Premium	Life			Open End	Closed End	Single Life	Joint Life	Disability
			Gross Decreasing	Net Balance	Level Amount					
Basic Policy I.D. #s 1 through 5 repealed										
1	X		X				X	X	X	X
2	X		X				X	X	X	
3	X		X				X	X		X
4	X		X				X	X		
5	X						X			X
PB, ILC and CFL "Class A" business (See §2248.31)										
6	X			X			X	X	X	X
7	X			X			X	X	X	

8	X			X			X	X		X
9	X			X			X	X		
10	X						X			X
Net Balance Basic Coverage										
11	X			X			X	X	X	X
12	X			X			X	X	X	
13	X			X			X	X		X
14	X			X			X	X		
15	X						X			X
Level Life										
16	X				X		X	X	X	
17	X				X		X	X		
Open End and Revolving Line of Credit, Credit Union Open-end and Credit Card										
18		X		X		X		X	X	X
19		X		X		X		X		X
20		X				X				X
21		X		X		X		X	X	
22		X		X		X		X		
Monthly Premium, Closed-End										
25		X		X			X	X	X	X
26		X		X			X	X	X	
27		X		X			X	X		X
28		X		X			X	X		
29		X					X			X
Agricultural										
30	X				X		X	X	X	X
31	X				X		X	X	X	
32	X				X		X	X		X
33	X				X		X	X		
34	X						X			X

Note: Authority cited: § 779.2 and 779.27, Ins. C. Reference: § 779.27, Ins. C.; and §§ 18290-18292, 22458.1, 22458.2, 22458.1 and 22458.2, Fin. C.; and §§ 2248.9-2248.11, Title 10, California Administrative Code

NOTE: Authority cited: §§ 779.21 and 779.27, Ins. C. Reference: §§ 510, 779.1-779.4, 779.10, 779.12a, 779.14, 779.18, 779.27-779.31, 10110, 10111.2, 10111.5, 10113, 10113.5, 10115, 10141, 10142, 10203.5, 10203.55, 10206, 10207, 10209, 10270.505, 10270.6, 10270.94, 10290, 10291, 10320, 10321, 10323, 10324, 10237, 10328, 10350-10350.12, 10369.1, 10369.3, 10381.5, Ins. C.; §§ 18290-18292, 22314, 22315, 22455, Fin. C.; § 2248.33, Title 10, Cal Code of Regs.

8. Amend §§ 2249.8 to read:

§2249.8. List of Block Numbers for Each Identification Number--Individual Policies.

#1—MH 1; SC 1 through SC 18; AP 1; PA 1; PB 1; PC 1; PD 1; PE 1; PF 1; PG 1; PH 1; PI 1; PJ 1; PK 1; PL 1; PM 1; PN 1; PO 1; PP 1; PQ 1.

#2—MH 1; SC 1 through SC 11; SC 14; SC 18; AP 2; PA 1; PB 1; PC 1; PD 1; PE 1; PH 1; PI 1; PK 1; PL 1; PN 1; PO 1; PQ 1.

~~3--MH 1; SC 1; SC 3 through SC 13; SC 19; SC 15 through SC 18; AP 3; PA 1; PB 1; PC 1; PE 1; PF 1; PG 1; PH 2; PI 3; PJ 1; PK 1; PL 1; PM 1; PN 1; PO 1; PP 1; PQ 1.~~

~~#4--MH 1; SC 1; SC 3 through SC 11; SC 18; SC 19; AP 4; PA 1; PB 1; PC 1; PE 1; PH 2; PI 3; PK 1; PL 1; PN 1; PO 1; PQ 1.~~

~~#5--MH 1; SC 1; SC 3 through SC 6; SC 8; SC 9; SC 11; SC 12; SC 13; SC 15; SC 17; AP 3; PA 1; PB 1; PC 2; PF 1; PG 1; PH 2; PJ 1; PK 1; PL 1; PM 1; PO 1; PP 1; PQ 1.~~

#6--MH 1; SC 1 through SC 7; SC 9; SC 10; SC 12; SC 14 through SC 16; SC 20 through SC 22; AP 5; PA 1; PB 1; PC 1; PD 1; PE 2; PF 1; PG 1; PH 1; PI 1; PJ 1; PK 2; PL 1; PM 1; PN 1; PO 1; PP 1; PQ 1.

#7--MH 1; SC 1 through SC 7; SC 9; SC 10; SC 14; SC 18; SC 20 through SC 22; AP 6; PA 1; PB 1; PC 1; PD 1; PE 2; PH 1; PI 1; PK 2; PL 1; PN 1; PO 1; PQ 1.

#8--MH 1; SC 1; SC 3 through SC 7; SC 9; SC 10; SC 12; SC 19; SC 15 through SC 18; SC 20 through SC 22; AP 7; PA 1; PB 1; PC 1; PE 2; PF 1; PG 1; PH 2; PI 3; PJ 1; PK 2; PL 1; PM 1; PN 1; PO 1; PP 1; PQ 1.

#9--MH 1; SC 1; SC 3 through SC 7; SC 9; SC 10; SC 19 through SC 22; AP 8; PA 1; PB 1; PC 1; PE 2; PH 2; PI 3; PK 2; PL 1; PN 1; PO 1; PQ 1.

#10--MH 1; SC 1; SC 3 through SC 7; SC 9; SC 12; SC 15; SC 20 through SC 22; AP 3; PA 1; PB 1; PC 2; PE 6; PF 1; PG 1; PH 2; PJ 1; PK 2; PL 1; PM 1; PO 1; PP 1; PQ 1.

#11--MH 1; SC 1 through SC 18; AP 1; PA 1; PB 1; PC 1; PD 1; PE 4; PF 1; PG 1; PH 1; PI 1; PJ 1; PK 1; PL 1; PM 1; PN 1; PO 1; PP 1; PQ 1.

#12--MH 1; SC 1 through SC 11; SC 14; SC 18; AP 2; PA 1; PB 1; PC 1; PD 1; PE 4; PH 1; PI 1; PK 1; PL 1; PN 1; PO 1; PQ 1.

#13--MH 1; SC 1; SC 3 through SC 13; SC 15; SC 19; SC 17; SC 18; AP 3; PA 1; PB 1; PC 1; PE 4; PF 1; PG 1; PH 2; PI 3; PJ 1; PK 1; ~~PL 1~~; PM 1; PN 1; PO 1; PP 1; PQ 1.

#14--MH 1; SC 1; SC 3 through SC 12; SC 18; SC 19; AP 4; PA 1; PB 1; PC 1; PE 4; PH 2; PI 3; PK 1; PL 1; PN 1; PO 1; PQ 1.

#15--~~Same as # 5.~~ MH 1; SC 1; SC 3 through SC 6; SC 8; SC 9; SC 11; SC 12; SC 13; SC 15; SC 17; AP 3; PA 1; PB 1; PC 2; PF 1; PG 1; PH 2; PJ 1; PK 1; PL 1; PM 1; PO 1; PP 1; PQ 1.

#16--MH 1; SC 1 through SC 9; SC 11; SC 18; SC 23; SC 24; AP 2; PA 1; PB 1; PC 1; PD 1; PE 5; PH 1; PI 1; PK 3; PL 1; PN 1; PO 1; PQ 1.

#17--MH 1; SC 1; SC 3 through SC 9; SC 11; SC 18; SC 23; SC 25; AP 4; PA 1; PB 1; PC 1; PE 5; PH 2; PI 3; PK 3; PL 1; PN 1; PO 1; PQ 1.

#18--MH 1; SC 1; SC 2 through SC 7; SC 9; SC 17; SC 18; SC 29; SC 30; AP 10; ~~PA 1~~ PA 4; PB 1; ~~PC 3~~ PC 1; ~~PD 1~~ PE 3; PF 3; PG 1; PH 1; PI 2; PJ 2; PK 5; PL 1; PM 1; PN 1; PO 1; PP 1; PQ 1.

#19--MH 1; SC 1; SC 3 through SC 7; SC 9; SC 17; SC 18; SC 33; SC 34; AP 18; ~~PA 1~~ PA 4; PB 1; ~~PC 4~~ PC 1; ~~PE 3~~ PF 3; PG 1; PH 2; PI 4; PJ 2; PK 5; PL 1; PM 1; PN 1; PO 1; PP 1; PQ 1.

#20--MH 1; SC 1; SC 3 through SC 6; SC 9; SC 15; SC 17; SC 36; AP 19; ~~PA 1~~ PA 4; PB 1; PC 2; PF 3; PG 1; PH 2; PJ 2; PK 5; PL 1; PM 1; PO 1; PP 1; PQ 1.

#21--MH 1; SC 1 through SC 7; SC 9; SC 18; SC 31; SC 32; AP 11; PA 4; PB 1; PC 1; PD 1; PE 3; PH 1; PI 2; PK 5; PL 1; PN 1; PO 1; PQ 1.

#22--MH 1; SC 1; SC 3 through SC 7; SC 9; SC 18; SC 35; AP 12; PA 4; PB 1; PC 1; PE 3; PH 2; PI 4; PK 5; PL 1; PN 1; PO 1; PQ 1.

#25--MH 1; SC 1 through SC 13; SC 17; SC 18; SC 29; SC 30; SC 16; ~~AP 1~~ AP 21; PA 4; PB 1; PC 1; PD 1; PE 4; PF 1; PG 1; PH 1; PI 1; PJ 1; PK 7; PL 1; PM 1; PN 1; PO 1; PP 1; PQ 1.

#26--MH 1; SC 1 through SC 11; SC 18; SC 31; SC 32; SC 16; ~~AP 2~~ AP 22; PA 4; PB 1; PC 1; PD 1; PE 4; PH 1; PI 1; PK 7; PL 1; PN 1; PO 1; PQ 1.

#27--MH 1; SC 1; SC 3 through SC 13; SC 17; SC 18; SC 33; SC 34; SC 16; ~~AP 3~~ AP 23; PA 4; PB 1; PC 1; PE 4; PF 1; PG 1; PH 2; PI 3; PJ 1; PK 7; PL 1; PM 1; PN 1; PO 1; PP 1; PQ 1.

#28--MH 1; SC 1; SC 3 through SC 11; SC 18; SC 35; SC 16; ~~AP 4~~ AP 24; PA 4; PB 1; PC 1; PE 4; PH 2; PI 3; PK 7; PL 1; PN 1; PO 1; PQ 1.

#29--MH 1; SC 1; SC 3 through SC 6; SC 8; SC 9; SC 11; SC 12; S 13; SC 17; SC 36; SC 16; ~~AP 3~~ AP 25; PA 4; PB 1; PC 2; PF 1; PG 1; PH 2; PJ 1; PK 7; PL 1; PM 1; PO 1; PP 1; PQ 1.

#30--MH 1; SC 1 through SC 9; SC 11; SC 13; SC 15; SC 24; SC 16; SC 23; AP 17; PA 1; PB 1; PC 1; PD 1; PE 5; PF 1; PG 1; PH 3; PI 1; PJ 1; PK 8; PL 3; PM 1; PN 1; PO 1; PP 1; PQ 1.

#31--MH 1; SC 1 through SC 9; SC 11; SC 24; AP 13; PA 1; PB 1; PC 1; PD 1; PE 5; PH 3; PI 1; ~~PK 8~~ PK 3; PL 3; PN 1; PO 1; PQ 1.

#32--MH 1; SC 1; SC 3 through SC 13; SC 19; SC 15; SC 16; AP 14; PA 1; PB 1; PC 1; PE 5; PF 1; PG 1; PH 4; PI 3; PJ 1; PK 8; PL 3; PM 1; PN 1; PO 1; PP 1; PQ 1.

#33--MH 1; SC 1; SC 3 through SC 9; SC 11; SC 23; SC 25; AP 15; PA 1; PB 1; PC 1; PE 5; PH 4; PI 3; ~~PK 8~~ PK 3; PL 3; PN 1; PO 1; PQ 1.

#34--MH 1; SC 1; SC 3 through SC 9; SC 11 through SC 13; SC 15; AP 16; PA 1; PB 1; PC 2; PF 1; PG 1; PH 4; PJ 1; PK 8; PL 3; PM 1; PO 1; PP 1; PQ 1.

NOTE: Authority cited: Sections 779.21 and 779.27, Insurance Code. Reference: Section 779.27, Insurance Code

NOTE: Authority cited: §§ 779.21 and 779.27, Ins. C. Reference: ~~§§ 540, 779.1-779.4, 779.10, 779.12a, 779.14, 779.18, 779.27-779.31, 10110, 10111.2, 10111.5, 10113, 10113.5, 10115, 10141, 10142, 10203.5, 10203.55, 10206, 10207, 10209, 10270.505, 10270.6, 10270.94, 10290, 10291, 10320, 10321, 10323, 10324, 10237, 10328, 10350, 10350.12, 10369.1, 10369.3, 10381.5, Ins. C.; §§ 18290-18292, 22314, 22315, 22455, Fin. C.; § 2248.33, Title 10, Cal Code of Regs.~~

9. Amend § 2249.9 as follows:

§2249.9. List of Block Numbers for Each Identification Number--Group Certificates.

~~#1 MH 1; SC 1; SC 2; SC 4 through SC 18; SC 26; SC 27; AP 1; PA 3; PB 1; PC 1; PD 1; PE 1; PF 1; PG 1; H 1; PI 1; PJ 1; PK 1; PL 2; PM 1; PN 1; PO 2; PP 1. NOPI: A 1; B 1; C 1; D 1.~~

~~#2 MH 1; SC 1; SC 2; SC 4 through SC 11; SC 14; SC 18; SC 26; SC 27; AP 2; PA 3; PB 1; PC 1; PD 1; PE 1; PH 1; PI 1; PK 1; PL 2; PN 1; PO 2. NOPI: A 2; B 1; D 1.~~

~~#3 MH 1; SC 1; SC 4 through SC 13; SC 19; SC 15 through SC 18; SC 26; SC 27; AP 3; PA 3; PB 1; PC 1; PE 1; PF 1; PG 1; PH 2; PI 3; PJ 1; PK 1; PL 2; PM 1; PN 1; PO 2; PP 1. NOPI: A 1; B 2; C 1; D 1.~~

~~#4 MH 1; SC 1; SC 4 through SC 11; SC 18; SC 19; SC 26; SC 27; AP 4; PA 3; PB 1; PC 1; PE 1; PH 2; PI 3; PK 1; PL 2; PN 1; PO 2. NOPI: A 2; B 2; D 1.~~

~~#5 MH 1; SC 1; SC 4 through SC 6; SC 8; SC 9; SC 11; SC 12; SC 13; SC 15; SC 17; SC 26; SC 27; AP 3; PA 3; PB 1; PC 2; PF 1; PG 1; PH 2; PJ 1; PK 1; PL 2; PM 1; PO 2; PP 1. NOPI: A 3; C 1; D 1.~~

#6--MH 1; SC 1; SC 2; SC 4 through SC 7; SC 9; SC 10; SC 12; SC 14 through SC 16; SC 20 through SC 22; SC 26; SC 27; AP 5; PA 3; PB 1; PC 1; PD 1; PE 2; PF 1; PG 1; PH 1; PI 1; PJ 1; PK 2; PL 2; PM 1; PN 1; ~~PO 2~~; PP 1. NOPI: A-1; B-3; C-1; D-2.

#7--MH 1; SC 1; SC 2; SC 4 through SC 7; SC 9; SC 10; SC 14; SC 18; SC 20 through SC 22; SC 26; SC 27; AP 6; PA 3; PB 1; PC 1; PD 1; PE 2; PH 1; PI 1; PK 2; PL 2; PN 1; ~~PO-2~~; NOPI: A-2; B-3; D-2.

#8--MH 1; SC 1; SC 4 through SC 7; SC 9; SC 10; SC 12; SC 19; SC 15 through SC 18; SC 20 through SC 22; SC 26; SC 27; AP 7; PA 3; PB 1; PC 1; PE 2; PF 1; PG 1; PH 2; PI 3; PJ 1; PK 2; PL 2; PM 1; PN 1; ~~PO-2~~; PP 1. NOPI: A-1; B-4; C-1; D-2.

#9--MH 1; SC 1; SC 4 through SC 7; SC 9; SC 10; SC 19 through SC 22; SC 26; SC 27; AP 8; PA 3; PB 1; PC 1; PE 2; PH 2; PI 3; PK 2; PL 2; PN 1; ~~PO-2~~; NOPI: A-2; B-4; D-2.

#10--MH 1; SC 1; SC 4 through SC 7; SC 9; SC 12; SC 15; SC 20 through SC 22; SC 26; SC 27; AP 3; PA 3; PB 1; PC 2; PE 6; PF 1; PG 1; PH 2; PJ 1; PK 2; PL 2; PM 1; ~~PO-2~~; PP 1. NOPI: A-3; C-1; D-2.

#11--MH 1; SC 1; SC 2; SC 4 through SC 18; SC 26; SC 27; AP 1; PA 3; PB 1; PC 1; PD 1; PE 4; PF 1; PG 1; PH 1; PI 1; PJ 1; PK 1; PL 2; PM 1; PN 1; ~~PO-2~~; PP 1. NOPI: A-2; B-5; C-1; D-1.

#12--MH 1; SC 1; SC 2; SC 4 through SC 11; SC 14; SC 18; SC 26; SC 27; AP 2; PA 3; PB 1; PC 1; PD 1; PE 4; PH 1; PI 1; PK 1; PL 2; PN 1; ~~PO-2~~; NOPI: A-2; B-5; D-1.

#13--MH 1; SC 1; SC 4 through SC 13; SC 15; SC 19; SC 17; SC 18; SC 26; SC 27; AP 3; PA 3; PB 1; PC 1; PE 4; PF 1; PG 1; PH 2; PI 3; PJ 1; PK 1; PL 2; PM 1; PN 1; ~~PO-2~~; PP 1. NOPI: A-1; B-6; C-1; D-1.

#14--MH 1; SC 1; SC 4 through SC 12; SC 18; SC 19; SC 26; SC 27; AP 4; PA 3; PB 1; PC 1; PE 4; PH 2; PI 3; PK 1; PL 2; PN 1; ~~PO-2~~; NOPI: A-2; B-6; D-1.

#15—~~Same as #5~~; MH 1; SC 1; SC 4 through SC 6; SC 8; SC 9; SC 11; SC 12; SC 13; SC 15; SC 17; SC 26; SC 27; AP 3; PA 3; PB 1; PC 2; PF 1; PG 1; PH 2; PJ 1; PK 1; PL 2; PM 1; PP 1. NOPI: A-3; C-1; D-1.

#16--MH 1; SC 1; SC 2; SC 4 through SC 9; SC 11; SC 18; SC 23; SC 24; SC 26; SC 27; AP 2; PA 3; PB 1; PC 1; PD 1; PE 5; PH 1; PI 1; PK 3; PL 2; PN 1; ~~PO-2~~; NOPI: A-2; B-7; D-1.

#17--MH 1; SC 1; SC 4 through SC 9; SC 11; SC 18; SC 23; SC 25 through SC 27; AP 4; PA 3; PB 1; PC 1; PE 5; PH 2; PI 3; PK 3; PL 2; PN 1; ~~PO-2~~; NOPI: A-2; B-8; D-1.

#18--MH 1; SC 1; SC 2; SC 4 through SC 7; SC 9; SC 17; SC 18; SC 26; SC 27; SC 29; SC 30; AP 10; PA 2; PB 1; ~~PC 3; PC 1; PD 1; PE 3~~; PF 3; PG 1; PH 1; PI 2; PJ 2; PK 4; PL 2; PM 1; PN 1; ~~PO-2~~; PP 1. NOPI: A-1; B-9; C-3; D-3.

#19--H 1; SC 1; SC 4 through SC 7; SC 9; SC 17; SC 18; SC 26; SC 27; SC 33; SC 34; AP 18; PA 2; PB 1; ~~PC 4; PC 1; PE 3~~; PF 3; PG 1; PH 2; PI 4; PJ 2; PK 4; PL 2; PM 1; PN 1; ~~PO-2~~; PP 1. NOPI: A-1; B-10; C-3; D-3.

#20--MH 1; SC 1; SC 4 through SC 6; SC 9; SC 15; SC 17; SC 26; SC 27; SC 36; AP 19; PA 2; PB 1; PC 2; PF 3; PG 1; PH 2; PJ 2; PK 4; PL 2; PM 1; ~~PO-2~~; PP 1. NOPI: A-3; C-3; D-3.

#21--MH 1; SC 1; SC 2; SC 4 through SC 7; SC 9; SC 18; SC 26; SC 27; SC 31; SC 32; AP 11; PA 2; PB 1; PC 1; PD 1; PE 3; PH 1; PI 2; PK 4; PL 2; PN 1; ~~PO-2~~; NOPI: A-2; B-9; D-3.

#22--MH 1; SC 1; SC 4 through SC 7; SC 9; SC 18; SC 26; SC 27; SC 35; AP 12; PA 2; PB 1; PC 1; PE 3; PH 2; PI 4; PK 4; PL 2; PN 1; ~~PO-2~~; NOPI: A-2; B-10; D-3.

#25--MH 1; SC 1; SC 2; SC 4 through SC 13; SC 17; SC 18; SC 26; SC 27; SC 29; SC 30; SC 16; ~~AP 4~~ AP 21; PA 2; PB 1; PC 1; PD 1; PE 4; PF 1; PG 1; PH 1; PI 1; PJ 1; PK 6; PL 2; PM 1; PN 1; ~~PO-2~~; PP 1. NOPI: A-1; ~~B-3~~ B-5; C-1; D-3.

#26--MH 1; SC 1; SC 2; SC 4 through SC 11; SC 18; SC 26; SC 27; SC 31; SC 32; SC 16; ~~AP 2~~ AP 22; PA 2; PB 1; PC 1; PD 1; PE 4; PH 1; PI 1; PK 6; PL 2; PN 1; ~~PO-2~~; NOPI: A-2; ~~B-3~~ B-5; D-3.

#27--MH 1; SC 1; SC 4 through SC 13; SC 17; SC 18; SC 26; SC 27; SC 33; SC 34; SC 16; ~~AP 3~~ AP 23; PA 2; PB 1; PC 1; PE 4; PF 1; PG 1; PH 2; PI 3; PJ 1; PK 6; PL 2; PM 1; PN 1; ~~PO-2~~; PP 1. NOPI: A-1; ~~B-4~~ B-6; C-1; D-3.

#28--MH 1; SC 1; SC 4 through SC 11; SC 18; SC 26; SC 27; SC 35; SC 16; ~~AP 4~~ AP 24; PA 2; PB 1; PC 1; PE 4; PH 2; PI 3; PK 6; PL 2; PN 1; ~~PO-2~~; NOPI: A 2; ~~B-4~~ B-6; D-3.

#29--MH 1; SC 1; SC 4 through SC 6; SC 8; SC 9; SC 11 through SC 13; SC 17; SC 26; SC 27; SC 36; SC 16; ~~AP 3~~ AP 25; PA 2; PB 1; PC 2; PF 1; PG 1; PH 2; PJ 1; PK 6; PL 2; PM 1; ~~PO-2~~; PP 1. NOPI: A-3; C-1; D-3.

#30--MH 1; SC 1; SC 2; SC 4 through SC 9; SC 11; SC 13; SC 15; SC 24; SC 16; SC 23; SC 26; SC 27; AP 17; PA 3; PB 1; PC 1; PD 1; PE 5; PF 1; PG 1; PH 3; PI 1; PJ 1; PK 8; PL 4; PM 1; PN 1; ~~PO 2~~; PP 1. NOPI: A-1; B-7; C-1; D-1.

#31--MH 1; SC 1; SC 2; SC 4 through SC 9; SC 11; SC 24; SC 26; SC 27; AP 13; PA 3; PB 1; PC 1; PD 1; PE 5; PH 3; PI 1; ~~PK 8~~ PK 3; PL 4; PN 1; ~~PO 2~~. NOPI: A-2; B-7; D-1.

#32--MH 1; SC 1; SC 4 through SC 13; SC 19; SC 15; SC 16; SC 26; SC 27; AP 14; PA 3; PB 1; PC 1; PE 5; PF 1; PG 1; PH 4; PI 3; PJ 1; PK 8; PL 4; PM 1; PN 1; ~~PO 2~~; PP 1. NOPI: A-1; B-8; C-1; D-1.

#33--MH 1; SC 1; SC 4 through SC 9; SC 11; SC 23; SC 25; SC 26; SC 27; AP 15; PA 3; PB 1; PC 1; PE 5; PH 4; PI 3; ~~PK 8~~ PK 3; PL 4; PN 1; ~~PO 2~~. NOPI: A-2; B-8; D-1.

#34--MH 1; SC 1; SC 4 through SC 9; SC 11 through SC 13; SC 15; SC 26; SC 27; AP 16; PA 3; PB 1; PC 2; PF 1; PG 1; PH 4; PJ 1; PK 8; PL 4; PM 1; ~~PO 2~~; PP 1. NOPI: A-3; C-1; D-1.

NOTE ~~Authority cited: Sections 779.21 and 779.27, Insurance Code. Reference: Section 779.27, Insurance Code.~~

NOTE: Authority cited: §§ 779.21 and 779.27, Ins. C. Reference: §§ 510, 779.1, 779.4, 779.10, 779.12a, 779.14, 779.18, 779.27, 779.31, 10110, 10111.2, 10111.5, 10113, 10113.5, 10115, 10141, 10142, 10203.5, 10203.55, 10206, 10207, 10209, 10270.505, 10270.6, 10270.94, 10290, 10291, 10320, 10321, 10323, 10324, 10237, 10328, 10350, 10350.12, 10369.1, 10369.3, 10381.5, Ins. C.; §§ 18290-18292, 22314, 22315, 22455, Fin. C.; § 2248.33, Title 10, Cal Code of Regs.

10 Amend §§ 2249.10 to read

2249.10. Schedule Blocks.

MH 1

Insurers Name and Complete Address

Called We or Us

SCHEDULE

- SC 1 Primary Borrower, called you, and Address
- SC 2 Co-Borrower, also called you
- SC 3 Policy Number
- SC 4 Source Code
- SC 5 Creditor Beneficiary and Insurance Agent's License No.
- SC 6 Class of Business
- SC 7 Secondary Beneficiary
- SC 8 Term of Insurance
- SC 9 Effective Date
- SC 10 Original Amount of Life Insurance
- SC 11 Scheduled Expiration Date
- SC 12 Monthly Loan Payment
- SC 13 Monthly Total Disability Benefit
- SC 14 Decreasing Life: Single () Joint () Premium:
- SC 15 Disability: 30-day Elimination Period Premium:

- SC 16 Total Premium:
- SC 17 Maximum Monthly Disability Benefit:
- SC 18 Maximum Amount of Life Insurance:
- SC 19 Decreasing Single Life Premium:
- SC 20 Number of Monthly Installments
- SC 21 First Installment Due Date
- SC 22 Final Installment Due Date
- SC 23 Amount of Level Life Insurance:
- SC 24 Level Life: Single () Joint () Premium:
- SC 25 Level Life Single Premium:
- SC 26 Group Policy Number
- SC 27 Certificate Number
- SC 28 Date of Issue of this Certificate
- SC 29 Credit Insurance Applied for: __ Single Life __ Joint Life __ 30 Day Elimination Disability
- SC 30 Monthly Premium per \$100 of insured debt: Single Life \$ __, Joint Life \$ __, Disability \$ __
- SC 31 Credit Insurance Applied for: __ Single Life __ Joint Life
- SC 32 Monthly Premium per \$100 of insured debt: Single Life \$ __ Joint Life \$ __
- SC 33 Credit Insurance Applied for: __ Single Life __ 30 Day Elimination Disability
- SC 34 Monthly Premium per \$100 of insured debt: Single Life \$ __. Disability \$ __
- SC 35 Monthly Life Insurance Premium per \$100 of insured debt: \$ __
- SC 36 Monthly Disability Premium per \$100 of insured debt \$ __
- SC 37 Maximum Disability Benefit Period
- SC 38 Disability, 30-day Elimination Period: Single () Joint () Premium:
- SC 39 Credit Insurance Applied for: Life: Single () Joint (); 30 Day Elimination Disability: Single () Joint ()
- SC 40 Monthly Premium per \$100 of insured debt: Life: Single \$ __, Joint \$ __; Disability: Single \$ __, Joint \$ __

Note: Authority cited: Sections 779.21 and 779.27, Insurance Code. Reference: Sections ~~510, 779.1, 779.4, 779.6, 779.9, 779.12a, 779.14, 779.18 and 779.27~~, and 1758.99, Insurance Code.

11. Amend §§ 2249.11 to read:

§2249.11. Application Blocks.

AP 1

APPLICATION OF BORROWER

You are applying for the credit insurance marked above. Your signature below means that you agree that:

1. You are not eligible for insurance if you have reached your 65th birthday.
2. You are eligible for disability insurance only if you are working for wages or profit 30 hours a week or more on the Effective Date.

3. Only the Primary Borrower is eligible for disability insurance.

DISABILITY INSURANCE MAY NOT COVER CONDITIONS FOR WHICH YOU HAVE SEEN A DOCTOR
OR A CHIROPRACTOR IN THE LAST SIX MONTHS.

(Refer to “Total Disabilities Not Covered” in your ~~policy~~ certificate for details.)

Date	Primary Borrower	Age
	Co-Borrower	Age

AP 2

APPLICATION OF BORROWER

You are applying for credit insurance marked above. Your signature below means that you agree that you are not eligible for insurance if you have reached your 65th birthday.

Date	Primary Borrower	Age
	Co-Borrower	Age

AP 3

APPLICATION OF BORROWER

You are applying for the credit insurance marked above. Your signature below means that you agree that:

1. You are not eligible for insurance if you have reached your 65th birthday.
2. You are eligible for disability insurance only if you are working for wages or profit 30 hours a week or more on the Effective Date.
3. Only the Primary Borrower is eligible for life or disability insurance.

DISABILITY INSURANCE MAY NOT COVER CONDITIONS FOR WHICH YOU HAVE SEEN A DOCTOR
OR A CHIROPRACTOR IN THE LAST SIX MONTHS.

(Refer to “Total Disabilities Not Covered” in your ~~policy~~ certificate for details.)

Date	Primary Borrower	Age
------	------------------	-----

AP 4

APPLICATION OF BORROWER

You are applying for the credit insurance marked above. Your signature below means that:

1. You are not eligible for insurance if you have reached your 65th birthday.

2. Your co-borrower is not eligible for life or disability insurance.

Date	Primary Borrower	Age
------	------------------	-----

AP 5

APPLICATION FOR CREDIT INSURANCE

You are applying for the insurance marked above. Your signature below means that you agree that:

1. You are not eligible for insurance if you have reached your 65th birthday.
2. You do not have to buy any life insurance to be eligible for disability coverage, or vice versa.
3. You are eligible for disability coverage only if you are working for wages or profit, for 30 hours a week or more, on the Effective Date.
4. Only the Primary Borrower is eligible for disability insurance.

DISABILITY INSURANCE MAY NOT COVER CONDITIONS FOR WHICH YOU HAVE SEEN A DOCTOR
OR A CHIROPRACTOR IN THE LAST SIX MONTHS.

(Refer to "Total Disabilities Not Covered" in your policy certificate for details.)

Date	Primary Borrower	Age
	Co-Borrower	Age

THIS INSURANCE MAY BE ISSUED ONLY TO COVER BORROWERS WHO HAVE A LOAN UNDER THE
~~PERSONAL PROPERTY BROKERS LAW, THE INDUSTRIAL LOAN LAW OR THE CONSUMER~~
CALIFORNIA FINANCE LENDERS LAW.

AP 6

APPLICATION OF BORROWER

You are applying for the credit insurance marked above. Your signature below means that you agree that you are not eligible for insurance if you have reached your 65th birthday.

Date	Primary Borrower	Age
	Co-Borrower	Age

THIS INSURANCE MAY BE ISSUED ONLY TO COVER BORROWERS WHO HAVE A LOAN UNDER THE
~~PERSONAL PROPERTY BROKERS LAW, THE INDUSTRIAL LOAN LAW OR THE CONSUMER~~
CALIFORNIA FINANCE LENDERS LAW.

AP 7

APPLICATION FOR CREDIT INSURANCE

You are applying for the insurance marked above. Your signature below means that you agree that:

1. You are not eligible for insurance if you have reached your 65th birthday.
2. You do not have to buy any life insurance to be eligible for disability coverage, or vice versa.
3. You are eligible for disability coverage only if you are working for wages or profit, for 30 hours a week or more, on the Effective Date.
4. Only the Primary Borrower is eligible for life or disability insurance.

DISABILITY INSURANCE MAY NOT COVER CONDITIONS FOR WHICH YOU HAVE SEEN A DOCTOR
OR A CHIROPRACTOR IN THE LAST SIX MONTHS

(Refer to "Total Disabilities Not Covered" in your ~~policy~~ certificate for details.)

Date	Primary Borrower	Age
THIS INSURANCE MAY BE ISSUED ONLY TO COVER BORROWERS WHO HAVE A LOAN UNDER THE PERSONAL PROPERTY BROKERS LAW, THE INDUSTRIAL LOAN LAW OR THE CONSUMER <u>CALIFORNIA</u> FINANCE LENDERS LAW.		

AP 8

APPLICATION FOR CREDIT INSURANCE

You are applying for the insurance marked above. Your signature below means that you agree that you are not eligible for insurance if you have reached your 65th birthday.

Date	Primary Borrower	Age
THIS INSURANCE MAY BE ISSUED ONLY TO COVER BORROWERS WHO HAVE A LOAN UNDER THE PERSONAL PROPERTY BROKERS LAW, THE INDUSTRIAL LOAN LAW OR THE CONSUMER <u>CALIFORNIA</u> FINANCE LENDERS LAW.		

AP 10

APPLICATION OF BORROWER

You are applying for the credit insurance marked above and authorizing the Creditor to add the charges for insurance to your loan each month as they become due. You have the right to stop this authorization. Your signature below means that you agree that:

1. You are eligible for insurance as to each advance only if you are working for wages or profit 30 hours a week or more on the date you sign for the advance. If you are not, that particular advance will not be insured until you return to work. You are insured only for advances actually received by you. You are not insured for any unused credit which may be available to you.
2. Each month the insurance charge is calculated by multiplying the insured outstanding principal balance of your loan on the billing date by the rate shown in the Schedule.

We can change the rate later on. But if we do, we will let you know in advance. The new rate will apply only to charges for insurance made after the date of the rate change.
3. Only the Primary Borrower is eligible for disability insurance.

4. Neither you nor your co-borrower are eligible for insurance after you have reached your 65th birthday, and insurance will also stop when you reach that age.

DISABILITY INSURANCE MAY NOT COVER CONDITIONS FOR WHICH YOU HAVE SEEN A DOCTOR OR A CHIROPRACTOR IN THE LAST SIX MONTHS.

(Refer to “Total Disabilities Not Covered” in your ~~policy~~ certificate for details.)

Date	Primary Borrower	Age
	Co-Borrower	Age

AP 11

APPLICATION OF BORROWER

You are applying for the credit insurance marked above and authorizing the Creditor to add the charges for insurance to your loan each month as they become due. You have the right to stop this authorization. Your signature below means that you agree that:

1. You are insured only for advances actually received by you. You are not insured for any unused credit which may be available to you.
2. Each month the insurance charge is calculated by multiplying the insured outstanding principal balance of your loan on the billing date by the rate shown in the Schedule.

We can change the rate later on. But if we do, we will let you know in advance. The new rate will apply only to charges made for insurance after the date of the rate change.

3. Neither you nor your co-borrower are eligible for insurance after you have reached your 65th birthday, and the insurance will also stop on the last day of the month during which you reach that age.

Date	Primary Borrower	Age
	Co-Borrower	Age

AP 12

APPLICATION OF BORROWER

You are applying for the credit insurance marked above and authorizing the Creditor to add the charges for insurance to your loan each month as they become due. You have the right to stop this authorization. Your signature below means that you agree that:

1. You are insured for advances actually received by you. You are not insured for any unused credit which may be available to you.
2. Each month the insurance charge is calculated by multiplying the insured outstanding principal balance of your loan on the billing date by the rate shown in the Schedule.

We can change the rate later on. But if we do, we will let you know in advance. The new rate will apply only to charges made for insurance after the date of the rate change.

3. You are not eligible for insurance after you have reached your 65th birthday, and the insurance will also stop on the last day of the month during which you reach that age.

Date	Primary Borrower	Age
------	------------------	-----

AP 13

APPLICATION OF BORROWER

You are applying for the credit insurance marked above. Your signature below means that you agree that the maximum amount of life insurance is \$_____ for ages \$_____ for ages and \$_____ for ages_____

Date	Primary Borrower	Age
	Co-Borrower	Age

AP 14

APPLICATION OF BORROWER

You are applying for the credit insurance marked above. Your signature below means that you agree that:

1. The maximum amount of life insurance is \$_____ for ages _____, \$_____ for ages _____ and \$_____ for ages _____.
2. The maximum monthly total disability benefit is \$_____ for ages, \$_____ for ages _____ and \$_____ for ages _____.
3. Only the Primary Borrower is eligible for disability insurance.
4. You are eligible for disability insurance only if you are working for wages or profit 30 hours a week or more.

DISABILITY INSURANCE MAY NOT COVER CONDITIONS FOR WHICH YOU HAVE SEEN A DOCTOR
OR A CHIROPRACTOR IN THE LAST SIX MONTHS.
(Refer to "Total Disabilities Not Covered" in your ~~policy~~ certificate for details.)

Date	Primary Borrower	Age
------	------------------	-----

AP 15

APPLICATION OF BORROWER

You are applying for the credit insurance marked above. Your signature below means that you agree that the maximum amount of life insurance is \$_____ for ages _____, \$_____ for ages _____ and \$_____ for

ages_____

Date	Primary Borrower	Age
------	------------------	-----

AP 16

APPLICATION OF BORROWER

You are applying for the credit insurance marked above. Your signature below means that you agree that:

1. The maximum monthly total disability benefit is \$_____ for ages_____, \$_____ for ages_____ and \$_____ for ages_____.
2. Only the Primary Borrower is eligible for disability insurance.
3. You are eligible for disability insurance only if you are working for wages or profit 30 hours a week or more.

DISABILITY INSURANCE MAY NOT COVER CONDITIONS FOR WHICH YOU HAVE SEEN A DOCTOR
OR A CHIROPRACTOR IN THE LAST SIX MONTHS
(Refer to "Total Disabilities Not Covered" in your ~~policy~~ certificate for details.)

Date	Primary Borrower	Age
------	------------------	-----

AP 17

APPLICATION OF BORROWER

You are applying for the credit insurance marked above. Your signature below means that you agree that:

1. The maximum amount of life insurance is \$_____ for ages_____, \$_____ for ages_____ and \$_____ for ages_____.
2. The maximum monthly total disability benefit is \$_____ for ages_____ \$_____ for ages_____, and \$_____ for ages_____.
3. Only the Primary Borrower is eligible for disability insurance.
4. You are eligible for disability insurance only if you are working for wages or profit 30 hours a week or more.

DISABILITY INSURANCE MAY NOT COVER CONDITIONS FOR WHICH YOU HAVE SEEN A DOCTOR
OR A CHIROPRACTOR IN THE LAST SIX MONTHS.
(Refer to "Total Disabilities Not Covered" in your ~~policy~~ certificate for details.)

Date	Primary Borrower	Age
------	------------------	-----

	Co-Borrower	Age
--	-------------	-----

AP 18

APPLICATION OF BORROWER

You are applying for the credit insurance marked above and authorizing the Creditor to add the charges for insurance to your loan each month as they become due. You have the right to stop this authorization. Your signature below means that you agree that:

1. You are eligible for insurance as to each advance only if you are working for wages or profit 30 hours a week or more on the date you sign for the advance. If you are not, that particular advance will not be insured until you return to work.

You are insured only for advances actually received by you. You are not insured for any unused credit which may be available to you.

2. Each month the insurance charge is calculated by multiplying the insured outstanding principal balance of your loan on the billing date by the rate shown in the Schedule.

We can change the rate later on. But if we do, we will let you know in advance. The new rate will apply only to charges for insurance made after the date of the rate change.

3. Only the Primary Borrower is eligible for life or disability insurance.

4. You are not eligible for insurance after you have reached your 65th birthday and insurance will also stop when you reach that age.

DISABILITY INSURANCE MAY NOT COVER CONDITIONS FOR WHICH YOU HAVE SEEN A DOCTOR
OR A CHIROPRACTOR IN THE LAST SIX MONTHS.

(Refer to "Total Disabilities Not Covered" in your policy certificate for details.)

Date	Primary Borrower	Date of Birth
------	------------------	---------------

AP 19

APPLICATION OF BORROWER

You are applying for the credit insurance marked above and authorizing the Creditor to add the charges for insurance to your loan each month as they become due. You have the right to stop this authorization. Your signature below means that you agree that:

1. You are eligible for insurance as to each advance only if you are working for wages or profit 30 hours a week or more on the date you sign for the advance. If you are not, that particular advance will not be insured until you return to work.

You are insured only for advances actually received by you. You are not insured for any unused credit which may be available to you.

2. Each month the insurance charge is calculated by multiplying the insured outstanding principal balance of your loan on the billing date by the rate shown in the Schedule.

We can change the rate later on. But if we do, we will let you know in advance. The new rate will apply only to charges for insurance made after the date of the rate change.

3. Only the Primary Borrower is eligible for disability insurance.

4. You are not eligible for insurance after you have reached your 65th birthday and insurance will also stop when you reach that age.

DISABILITY INSURANCE MAY NOT COVER CONDITIONS FOR WHICH YOU HAVE SEEN A DOCTOR
OR A CHIROPRACTOR IN THE LAST SIX MONTHS.

(Refer to "Total Disabilities Not Covered" in your policy certificate for details.)

Date

Primary Borrower

Date of Birth

AP 20

MEDICAL APPLICATION OF BORROWER

You are applying for the credit insurance marked above. You should understand that untruthful answers to these questions may cancel your insurance protection.

1. Date of Birth _____ Place of Birth _____ Height _____ ft. _____ in. Weight _____ lbs.
Sex _____ M _____ F.

2. Occupation _____ Employed By: _____

3. Are you now working 30 hours a week or more at your occupation? Yes ___ No ___

4. Are you now in good health and free from the effects of any illness or injury? Yes ___ No ___

5. Have you, during the last five years, had, or been advised to have, advice or treatment for any of the following:

a) Cancer, Tumor, Ulcer, Goiter, Thyroid, Asthma, Tuberculosis, Leukemia. Yes ___ No ___

b) Mental or Nervous Disorder, Paralysis or Convulsions. Yes ___ No ___

c) High Blood Pressure, Rheumatic Fever, Heart Disease, Stroke Yes ___ No ___

d) Diabetes, Sugar/Albumin in Urine, Prostate Disorder Yes ___ No ___

e) Impairment of Sight, Speech or Hearing Yes ___ No ___

f) Disease of Liver, Gall Bladder, Kidneys, or Lungs Yes ___ No ___

g) Disease or impairment of Bones, Joints, Glands or Muscles Yes ___ No ___

h) Strained Back, Slipped Disc or Sciatica. Yes ___ No ___

i) Drug Addiction or Alcoholism Yes ___ No ___

6. Are you now taking any kind of prescription medication? Yes ___ No ___

7. Have you been told by a medical professional that you have AIDS or ARC? Yes ___ No ___

7 & 8. Have you ever applied for Life, Accident and Health or Hospital Insurance that was declined or modified?
Yes ___ No ___

Give details of any "No" answers to questions 3 and 4 and any "Yes" answers to questions 5, 6, ~~and 7~~ and 8. Include date, disease, injury or condition, and name and address of doctor or insurance company.

Your signature below means that you agree that:

1. You have read the questions and answers above and they are correct and complete, to the best of your knowledge and belief

2. You are not eligible for insurance if you have reached your 65th birthday.

3. You are eligible for disability insurance only if you are working for wages or profit 30 hours a week or more on the Effective Date.

4. Only the Primary Borrower is eligible for disability insurance.

5. **AUTHORIZATION TO OBTAIN INFORMATION:** You authorize any licensed physician, medical practitioner, hospital, clinic or other medical or medically related facility, insurance company, the Medical Information Bureau, consumer reporting agency, or employer having information available as to diagnosis, treatment and prognosis with

respect to any physical or mental condition and/or treatment of you and any other non-medical information of you, to give to the _____ Insurance Company or its reinsurer any such information. You understand the information obtained by use of the Authorization will be used by the _____ Insurance Company or its reinsurer to determine eligibility for insurance and eligibility for benefits under the policy. Any information obtained will not be released by the _____ Insurance Company to any person or organization except to reinsuring companies, the Medical Information Bureau, or other persons or organizations performing business or legal services in connection with your application, claim, or as may be otherwise lawfully required or as you may further authorize.

You may request a copy of this Authorization.

This Authorization shall be valid for two and one half years from the date shown below. A photocopy of this Authorization is as valid as the original.

DISABILITY INSURANCE MAY NOT COVER CONDITIONS FOR WHICH YOU HAVE SEEN A DOCTOR
OR A CHIROPRACTOR IN THE LAST SIX MONTHS.
(Refer to your Notice of Proposed Insurance for details.)”

Date

Primary Borrower or Co-Borrower

MEDICAL INFORMATION BUREAU PRE-NOTICE
(To be retained by Applicant or Proposed Insured)

Information which you provide will be treated as confidential except that _____ Insurance Company or its reinsurer may, however, make a brief report to the Medical Information Bureau, a non-profit membership organization of life insurance companies which operates an information exchange in behalf of its members. On request by another member insurance company to which you have applied for life or health insurance coverage, or to which a claim is submitted, the M.I.B. will supply such company with the information it may have in its files. Upon receipt of a request from you, the Bureau will arrange disclosure of any information it may have in your file. ~~(Medical information will be disclosed only to your attending physician.)~~ (Disclosure of mental health information may be limited.) If you question the accuracy of information in the Bureau's file, you may contact the Bureau and seek a correction in accordance with the procedures set forth in the Fair Credit Reporting Act.

The address of the Bureau's information office is Post Office Box 105, Essex Station, Boston, Massachusetts 02112, telephone number (617) 426-3660. _____ Insurance Company may also release information in its file to other life insurance companies to whom you may apply for life or health insurance, or to whom a claim for benefits may be submitted.

AP 21

APPLICATION OF BORROWER

You are applying for the credit insurance marked above and authorizing the Creditor to add the charges for insurance to your loan each month as they become due. You have the right to stop this authorization. Your signature below means that you agree that:

1. You are not eligible for insurance if you have reached your 65th birthday.
2. You are eligible for disability insurance only if you are working for wages or profit 30 hours a week or more on the Effective Date.
3. Each month the life insurance charge is calculated by multiplying the scheduled unpaid balance of your loan on the billing date by the rate shown in the Schedule. The monthly disability insurance charge is calculated by multiplying the total of the remaining scheduled monthly payments on your loan by the rate in the Schedule.

We can change the premium rates later on. But if we do, we will let you know in advance. The new rates will apply only to charges for insurance made after the date of the rate change.

4. Only the Primary Borrower is eligible for disability insurance.

DISABILITY INSURANCE MAY NOT COVER CONDITIONS FOR WHICH YOU HAVE SEEN A DOCTOR
OR A CHIROPRACTOR IN THE LAST SIX MONTHS.

(Refer to "Total Disabilities Not Covered" in your certificate for details.)

<u>Date</u>	<u>Primary Borrower</u>	<u>Age</u>
	<u>Co-Borrower</u>	<u>Age</u>

AP 22

APPLICATION OF BORROWER

You are applying for the credit insurance marked above and authorizing the Creditor to add the charges for insurance to your loan each month as they become due. You have the right to stop this authorization. Your signature below means that you agree that:

1. You are not eligible for insurance if you have reached your 65th birthday.
2. Each month the life insurance charge is calculated by multiplying the scheduled unpaid balance of your loan on the billing date by the rate shown in the Schedule

We can change the premium rates later on. But if we do, we will let you know in advance. The new rates will apply only to charges for insurance made after the date of the rate change.

<u>Date</u>	<u>Primary Borrower</u>	<u>Age</u>
	<u>Co-Borrower</u>	<u>Age</u>

AP 23

APPLICATION OF BORROWER

You are applying for the credit insurance marked above and authorizing the Creditor to add the charges for insurance to your loan each month as they become due. You have the right to stop this authorization. Your signature below means that you agree that:

1. You are not eligible for insurance if you have reached your 65th birthday.
2. You are eligible for disability insurance only if you are working for wages or profit 30 hours a week or more on the Effective Date.
3. Each month the life insurance charge is calculated by multiplying the scheduled unpaid balance of your loan on the billing date by the rate shown in the Schedule. The monthly disability insurance charge is calculated by multiplying the total of the remaining scheduled monthly payments on your loan by the rate in the Schedule.

We can change the premium rates later on. But if we do, we will let you know in advance. The new rates will apply only to charges for insurance made after the date of the rate change.

4. Only the Primary Borrower is eligible for disability insurance.

DISABILITY INSURANCE MAY NOT COVER CONDITIONS FOR WHICH YOU HAVE SEEN A DOCTOR
OR A CHIROPRACTOR IN THE LAST SIX MONTHS.
(Refer to "Total Disabilities Not Covered" in your certificate for details.)

<u>Date</u>	<u>Primary Borrower</u>	<u>Date of Birth</u>
-------------	-------------------------	----------------------

AP 24

APPLICATION OF BORROWER

You are applying for the credit insurance marked above and authorizing the Creditor to add the charges for insurance to your loan each month as they become due. You have the right to stop this authorization. Your signature below means that you agree that:

1. You are not eligible for insurance if you have reached your 65th birthday.
2. Each month the life insurance charge is calculated by multiplying the scheduled unpaid balance of your loan on the billing date by the rate shown in the Schedule

We can change the premium rates later on. But if we do, we will let you know in advance. The new rates will apply only to charges for insurance made after the date of the rate change.

<u>Date</u>	<u>Primary Borrower</u>	<u>Age</u>
-------------	-------------------------	------------

AP 25

APPLICATION OF BORROWER

You are applying for the credit insurance marked above and authorizing the Creditor to add the charges for insurance to your loan each month as they become due. You have the right to stop this authorization. Your signature below means that you agree that:

1. You are not eligible for insurance if you have reached your 65th birthday.
2. You are eligible for disability insurance only if you are working for wages or profit 30 hours a week or more on the Effective Date.
3. Each month the disability insurance charge is calculated by multiplying the total of the remaining scheduled monthly payments on your loan by the rate in the Schedule.

We can change the premium rates later on. But if we do, we will let you know in advance. The new rates will apply only to charges for insurance made after the date of the rate change.

DISABILITY INSURANCE MAY NOT COVER CONDITIONS FOR WHICH YOU HAVE SEEN A DOCTOR
OR A CHIROPRACTOR IN THE LAST SIX MONTHS.
(Refer to "Total Disabilities Not Covered" in your certificate for details.)

<u>Date</u>	<u>Primary Borrower</u>	<u>Date of Birth</u>
-------------	-------------------------	----------------------

NOTE: Authority cited: Sections 779.21 and 779.27, Insurance Code. Reference: Sections ~~779.1, 779.6, 779.7, 779.9, 779.12a, 779.18, 779.27, 791.06, 799.06, and 10127.5, Insurance Code; and Sections 18290-18292, 22314, 22315, 22455, 22458.1, 22458.2, 24458.1 and 24458.2, Financial Code, and Section 120980(f), Health and Safety Code.~~

12. Amend § 2249.12 to read:

2249.12. Policy and Certificate Blocks.

PA 1

POLICY

(INSTRUCTION: The following paragraph must be printed in at least 14-point type.)

You can cancel this insurance at any time by telling the creditor that you want to do so. You will get back ALL the premium you paid for this insurance if you tell us or the creditor to cancel it within 30 days after you receive this certificate. If you cancel this insurance after 30 days, you will not get back all the premium that you paid.

(INSTRUCTION: The following paragraph must be printed in at least 14-point bold face type.)

If you have a question, problem or complaint about this insurance, please contact the Creditor Beneficiary at the address and phone number shown in the Schedule or us at (insert address and telephone number of insurer and/or licensed insurance agent). If we do not resolve your question, problem or complaint to your satisfaction, you may then contact the

California Department of Insurance

300 South Spring Street

Los Angeles, CA 90013

(800) 927-4357 or (213) 897-8921

WHAT YOU GET

If we have been paid the premium shown in the Schedule you are insured for the coverage shown in the Schedule as provided in this policy.

PA 2

CERTIFICATE OF INSURANCE

(INSTRUCTION: The following paragraph must be printed in at least 14-point type.)

You can cancel this insurance at any time by telling the creditor that you want to do so. You will get back ALL the premium you paid for this insurance if you tell us or the creditor to cancel it within 30 days after you receive this certificate. If you cancel this insurance after 30 days, you will not get back all the premium that you paid.

(INSTRUCTION: The following paragraph must be printed in at least 14-point bold face type.)

If you have a question, problem or complaint about this insurance, please contact the Creditor Beneficiary at the address and phone number shown in the Schedule or us at (insert address and telephone number of insurer and/or licensed insurance agent). If we do not resolve your question, problem or complaint to your satisfaction, you may then contact the

California Department of Insurance

300 South Spring Street

Los Angeles, CA 90013

(800) 927-4357 or (213) 897-8921

WHAT YOU GET

We certify that while we are paid the premiums for the Group Policy by the Creditor as they become due each month you are insured for the coverage marked in the Schedule, subject to the terms of the Group Policy issued to the Creditor.

PA 3

CERTIFICATE OF INSURANCE

(INSTRUCTION: The following paragraph must be printed in at least 14-point type.)

You can cancel this insurance at any time by telling the creditor that you want to do so. You will get back ALL the premium you paid for this insurance if you tell us or the creditor to cancel it within 30 days after you receive this certificate. If you cancel this insurance after 30 days, you will not get back all the premium that you paid.

(INSTRUCTION: The following paragraph must be printed in at least 14-point bold face type.)

If you have a question, problem or complaint about this insurance, please contact the Creditor Beneficiary at the address and phone number shown in the Schedule or us at (insert address and telephone number of insurer and/or licensed insurance agent). If we do not resolve your question, problem or complaint to your satisfaction, you may then contact the

California Department of Insurance

300 South Spring Street

Los Angeles, CA 90013

(800) 927-4357 or (213) 897-8921

WHAT YOU GET

We certify that if we have been paid the premium shown in the Schedule you are insured for the coverage shown in the Schedule, subject to the terms of the Group Policy issued to the Creditor.

PA 4

POLICY

(INSTRUCTION: The following paragraph must be printed in at least 14-point type.)

You can cancel this insurance at any time by telling the creditor that you want to do so. You will get back ALL the premium you paid for this insurance if you tell us or the creditor to cancel it within 30 days after you receive this certificate. If you cancel this insurance after 30 days, you will not get back all the premium that you paid.

(INSTRUCTION: The following paragraph must be printed in at least 14-point bold face type.)

If you have a question, problem or complaint about this insurance, please contact the Creditor Beneficiary at the address and phone number shown in the Schedule or us at (insert address and telephone number of insurer and/or licensed insurance agent). If we do not resolve your question, problem or complaint to your satisfaction, you may then contact the

California Department of Insurance

300 South Spring Street

Los Angeles, CA 90013

(800) 927-4357 or (213) 897-8921

WHAT YOU GET

While we are paid the premiums shown in the Schedule as they become due each month you are insured for the coverage marked in the Schedule.

PB 1

WHO GETS PAID

Claim payments are made to the irrevocable Creditor Beneficiary named in the Schedule to pay off or reduce your debt. If claim payments are more than the balance of your debt, the difference will be paid to you or to the Secondary Beneficiary named in the Schedule, if any, or to your estate.

PC 1

WHAT WE WILL PAY

Single Life Insurance Benefit. If you die while you are insured for single life coverage we will pay the amount of insurance in force at the time of your death after we receive proof of your death.

PC 2

WHAT WE WILL PAY

PC 3

~~WHAT WE WILL PAY~~

~~Life Insurance Benefit. Amount of Life Insurance. If you die while you are insured we will pay the~~ The amount of life insurance is the outstanding principal balance of your loan on the date of your death plus not more than 2 months unpaid loan interest. But we won't pay more than the Maximum Amount of Life Insurance in the Schedule. ~~If your co-borrower dies while insured for joint life coverage we will pay on the same basis as above. Only one death benefit is payable under this Certificate.~~

~~PC 4~~

~~WHAT WE WILL PAY~~

~~Life Insurance Benefit. If you die while you are insured we will pay the outstanding principal balance of your loan on the date of your death plus not more than 2 months unpaid loan interest. But we won't pay more than the Maximum Amount of Life Insurance in the Schedule.~~

PD 1

Joint Life Insurance Benefit. If you or your co-borrower die while insured for joint life coverage we will pay the amount of insurance in force at the time you or your co - borrower dies after we receive proof of the death. Only one death

benefit is payable under this policy.

~~PE 1~~

~~Amount of Life Insurance. The amount of life insurance is the Original Amount of Life Insurance shown in the Schedule until the first payment due date. After that, your insurance declines each month by an equal amount. That amount is the Original Amount of Life Insurance divided by the number of months in the Term in the Schedule.~~

PE 2

Term of Insurance. The term of insurance coverage starts on the Effective Date (as shown in the Schedule) and stops on the scheduled maturity date of your loan with the Creditor; except that the coverage may stop sooner as described below, under the caption "When Insurance Stops-Refunds."

Amount of Life Insurance. The amount of life insurance is the total amount due on the loan (excluding unearned finance charges), outstanding on the date of the insured borrower's death.

PE 3

Amount of Life Insurance. The amount of life insurance is the total amount due on the loan (excluding unearned finance charges), outstanding on the date of the insured borrower's death. But we won't pay more than the Maximum Amount of Life Insurance in the Schedule.

PE 4

Amount of Life Insurance. The amount of life insurance is the scheduled unpaid balance due on the loan on the date of the insured borrower's death. The amount of life insurance does not include any delinquent payments or unearned interest.

PE 5

Amount of Life Insurance. The Amount of Level Life Insurance shown in the Schedule stays the same while the policy is in effect.

PE 6

Term of Insurance. The term of insurance coverage starts on the Effective Date (as shown in the Schedule) and stops on the scheduled maturity date of your loan with the Creditor; except that the coverage may stop sooner as described below, under the caption "When Insurance Stop - Refunds."

PF 1

Total Disability Insurance Benefit. If you are insured for total disability insurance, we will pay a benefit if you file written proof that you became totally disabled while insured and continue to be totally disabled for more than 30 days. Payment will be calculated from the 31st day of disability. The benefit will be equal to 1/30th of your Monthly Total Disability Benefit in the Schedule for each day of disability to be compensated. Payments will stop when you are not totally disabled any more or when benefits are paid to the Scheduled Expiration Date, whichever comes first.

PF 3

Total Disability Insurance Benefit. If you are insured for total disability insurance, we will pay a benefit if you file written proof that you became totally disabled while insured and continue to be totally disabled for more than 30 days. Payment will be calculated from the 31st day of disability. Payments will stop when you are not totally disabled anymore or when your loan with the creditor is paid off, whichever comes first. The benefit for each day of disability to

be compensated will be 1/30th of your required monthly loan payment or the Maximum Monthly Disability Benefit, whichever is less.

PF 4

Total Disability Insurance Benefit. If you are insured for total disability insurance, we will pay a benefit if you file written proof that you became totally disabled while insured and continue to be totally disabled for more than 30 days. Payment will be calculated from the 31st day of disability. The benefit will be equal to 1/30th of your Monthly Total Disability Benefit in the Schedule for each day of disability to be compensated. Payments will stop:

1. when you are not totally disabled any more,
2. when benefits are paid to the Scheduled Expiration Date, or
3. when benefits are paid for the Maximum Disability Benefit Period in the Schedule, whichever comes first.

The amount of Monthly Total Disability Benefit is the same even though your total disability may be due to more than one cause. The Maximum Disability Benefit Period applies to each period of disability.

If benefit payments have stopped and you have recovered and then you become disabled again while still insured for total disability insurance, we may consider it a new period of disability. We will do so only if:

1. since the last period of disability, at least six straight months have passed during which you were not disabled for any period of time or,
2. the new disability is due to an entirely different cause than the previous disability.

PG 1

Definition of Total Disability. During the first 18 consecutive months of total disability, total disability means that you are not able to perform the major duties of your occupation because of sickness or accidental injury. After the first 18 consecutive months of total disability, the definition changes and requires that you not be able to perform the duties of any occupation for which you are reasonably qualified by education, training or experience. You will be required to give us written proof of your continuing total disability from time to time.

PH 1

WHAT WE WON'T PAY

Misstated Age. If you stated you are under 65, but you are not, we will return your premium when we discover this and will not pay any benefits. This also applies to your co-borrower, if you applied for joint life coverage.

PH 2

WHAT WE WONT PAY

Misstated Age. If you stated you are under 65, but you are not, we will return your premium when we discover this and will not pay any benefits.

PH 3

Misstated Age. If you did not correctly state your age, we will only pay for the amount of insurance that the premium you paid would have bought if your age had been stated correctly. This also applies to your co-borrower, if you applied for joint life coverage.

PH 4

Misstated Age. If you did not correctly state your age, we will only pay for the amount of insurance that the premium you paid would have bought if your age had been stated correctly.

PI 1

Suicide. We won't pay any claim if you commit suicide within 6 months of the Effective Date shown in the Schedule, but we will refund the life insurance premium. This also applies to your co-borrower, if you applied for joint life coverage.

PI 2

Suicide. We won't pay a claim for an advance on your loan if you commit suicide within 6 months after the date of the advance, but we will return the life insurance charge on that advance. This also applies to your co-borrower, if you applied for joint life coverage. The time limit for "Suicide" runs separately as to each advance, but a later advance does not restart the time limit on prior advances.

PI 3

Suicide. We won't pay any claim if you commit suicide within 6 months of the Effective Date shown in the Schedule, but we will refund the life insurance premium.

PI 4

Suicide. We won't pay a claim for an advance on your loan if you commit suicide within 6 months after the date of the advance, but we will return the life insurance charge on that advance. The time limit for "Suicide" runs separately as to each advance, but a later advance does not restart the time limit on prior advances.

PJ 1

Total Disabilities Not Covered. We won't pay the claim or refund the premium if your disability:

1. is a result of normal pregnancy or childbirth or
2. is a result of an intentionally self-inflicted injury or
3. begins within 2 years after the Effective Date as a result of a pre-existing medical condition. A pre-existing medical condition is one for which you saw or were under treatment by a physician or a chiropractor both within the 6 months before **and** the 6 months after the Effective Date shown in the Schedule.

PJ 2

Total Disabilities Not Covered. We won't pay a claim or refund the disability insurance charge if your total disability:

1. is a result of normal pregnancy or childbirth or
2. is a result of an intentionally self-inflicted injury or
3. begins within 6 months after the date of the advance as a result of a pre-existing medical condition. A pre-existing medical condition is one for which you saw or were under treatment by a physician or a chiropractor both within the 6 months before **and** the 6 months after the date of the advance.

PK 1

WHEN INSURANCE STOPS - REFUNDS

You can stop this insurance at any time. This insurance stops on the Scheduled Expiration Date, or when your loan is paid off, renewed, refinanced or otherwise stops, whichever happens first. If your insurance stops before the Scheduled Expiration Date in the Schedule, you will be given a refund or a credit on your account of unearned premium. This refund or credit will be calculated using a formula approved by the Insurance Commissioner, but refunds or credits of less than ~~a dollar~~ \$5.00 won't be made.

PK 2

WHEN INSURANCE STOPS - REFUNDS

You can stop this insurance at any time. This insurance stops automatically on the Final Installment Due Date of your loan with the Creditor, or when your loan is paid off, renewed, refinanced or otherwise stops, whichever happens first. Any coverage under the disability insurance will also stop in the event of your death.

If insurance stops before the Final Installment Due Date of your loan, you will be given a refund or credit on your account of unearned premium. This refund or credit will be calculated using a formula approved by the Insurance Commissioner, but refunds or credits of less than \$5.00 won't be made.

PK 3

WHEN INSURANCE STOPS - REFUNDS

You can stop this insurance at any time. This insurance stops on the Scheduled Expiration Date, or when your loan is paid off, renewed, refinanced or otherwise stops, whichever happens first. If your insurance stops before the Scheduled Expiration Date in the Schedule, you will be given a refund or credit on your account of unearned premium. This refund or credit will be calculated on a pro-rata basis, but refunds or credits less than ~~a dollar~~ \$5.00 won't be made.

PK 4

WHEN INSURANCE STOPS

This insurance stops:

1. on the first billing date after the Creditor receives your written request to stop the insurance, or
2. on the first billing date after you withdraw your authorization for the addition of charges for the insurance to your loan, or
3. on the first billing date after you reach your 65th birthday, or
4. on the date your loan stops, or
5. on the billing date upon which you are 3 months delinquent in making a minimum monthly payment on your loan, or
6. on the date the Group Policy stops.

PK 5

WHEN INSURANCE STOPS

This insurance stops:

1. on the first billing date after the Creditor receives your written request to stop the insurance, or
2. on the first billing date after you withdraw your authorization for the addition of charges for the insurance to your loan, or
3. on the first billing date after you reach your 65th birthday, or
4. on the date your loan stops, or
5. on the billing date upon which you are 3 months delinquent in making a minimum monthly payment on your loan, or
6. on the date specified in our written notice of cancellation to you.

PK 6

WHEN INSURANCE STOPS

This insurance stops:

1. on the first billing date after the Creditor receives your written request to stop the insurance, or
2. on the Scheduled Expiration Date, or
3. on the date when your loan is paid off, renewed, refinanced or otherwise stops, or
4. on the date when you are 3 months delinquent in payment of a monthly premium for this insurance, or
5. on the date the Group Policy stops.

PK 7

WHEN INSURANCE STOPS

This insurance stops:

1. on the first billing date after the Creditor receives your written request to stop the insurance, or
2. on the Scheduled Expiration Date, or
3. on the date when your loan is paid off, renewed, refinanced or otherwise stops, or
4. on the date when you are 3 months delinquent in the payment of a monthly premium for this insurance, or
5. on the date specified in our written notice of cancellation to you.

PK 8

WHEN INSURANCE STOPS - REFUNDS

You can stop this insurance at any time. This insurance stops on the Scheduled Expiration Date, or when your loan is renewed or refinanced if new insurance is written on the new loan. If your insurance stops before the Scheduled Expiration Date in the Schedule, you will be given a refund or credit on your account of unearned premium. This refund or credit will be calculated using a formula approved by the Insurance Commissioner, but refunds or credits of less than a ~~dollar~~ \$5.00 won't be made.

PL 1

WHAT THE CONTRACT IS AND HOW YOUR STATEMENTS AFFECT IT

This Policy and the attached Application are the complete contract of insurance. All statements made by you in the Application are considered to have been made to the best of your knowledge and belief. No statement can be used to void this Policy or deny a claim unless that statement is in your signed Application. After 2 years during your lifetime from the Effective Date, no statement made by you in your Application can be used to void this Policy or deny a claim. This does not apply to your disability coverage (if any) if that statement was made fraudulently. If you stated in your Application that you are age 65 or older and we do not return your premium within 75 days of the Effective Date, you are insured.

PL 2

WHAT THE CONTRACT IS AND HOW YOUR STATEMENTS AFFECT IT

The Group Policy, the Application for the Group Policy, and the attached Application of Borrower are the complete contract of insurance. All statements made by you in your Application are considered to have been made to the best of your knowledge and belief. No statement can be used to void this insurance or deny a claim unless that statement is in your signed Application. After 2 years during your lifetime from the Date in the Application, no statement made by you in your Application can be used to void this insurance or deny a claim. This does not apply to your disability coverage (if any) if that statement was made fraudulently. If you stated in your Application that you are age 65 or older and we do not return your premium within 75 days of the Effective Date, you are insured.

PL 3

WHAT THE CONTRACT IS AND HOW YOUR STATEMENTS AFFECT IT

This Policy and the attached Application are the complete contract of insurance. All statements made by you in the Application are considered to have been made to the best of your knowledge and belief. No statement can be used to void this Policy or deny a claim unless that statement is in your signed Application. After 2 years during your lifetime from the Effective Date, no statement made by you in your Application can be used to void this Policy or deny a claim. This does not apply to your disability coverage (if any) if that statement was made fraudulently.

PL 4

WHAT THE CONTRACT IS AND HOW YOUR STATEMENTS AFFECT IT

The Group Policy, the Application for the Group Policy, and the attached Application of Borrower are the complete contract of insurance. All statements made by you in your Application are considered to have been made to the best of your knowledge and belief. No statement can be used to void this insurance or deny a claim unless that statement is in your signed Application. After 2 years during your lifetime from the Date in the Application, no statement made by you in your Application can be used to void this insurance or deny a claim. This does not apply to your disability coverage (if any) if that statement was made fraudulently.

PM 1

RULES FOR FILING A TOTAL DISABILITY CLAIM

You must write us or our agent about your total disability claim within 30 days after the beginning of your total disability or as soon after that as you can. We will send you claims forms within 15 days after you tell us about the claim. If we don't send the forms in 15 days, you can simply send us written proof of your disability. The proof must show the date and the cause of the total disability and how serious it is, and it must be signed by a physician or a chiropractor. The proof of total disability must be sent to us no later than 90 days after the end of each period for which a total disability

benefit is payable. If it is impossible to file within 90 days, you must file as soon as you can. Unless you have been legally incapable of filing the proof of total disability, we won't accept if it is filed after one year from the time it should have been filed. You can't start any legal action until 60 days after you send us the proof of your total disability, and you can't start any legal action more than 3 years after the proof is filed.

PN 1

RULES FOR FILING A LIFE CLAIM

We must be given a certified copy of the death certificate as proof of a life claim.

PO 1

CONFORMITY WITH STATE STATUTES

Any part of this policy which, on the Effective Date of this Policy, conflicts with the statutes of the state where the policy was delivered to you is changed to conform to the minimum standards of those statutes.

~~PO 2~~

~~CONFORMITY WITH STATE STATUTES~~

~~Any part of the Group Policy which, on the effective date of the Group Policy, conflicts with the statutes of the state where the Group Policy was delivered is changed to conform to the minimum standards of those statutes.~~

PP 1

PHYSICAL EXAMINATION AND AUTOPSY

We at our own expense have the right, and you must allow us the opportunity, to examine your person as often as is reasonably required while a claim is pending and to make an autopsy in case of death, if it is not forbidden by law.

PQ 1

Secretary

President

Note: Authority cited: Sections 779.21 and 779.27, Insurance Code. Reference: Sections 510, 779.1, 779.2, 779.3, 779.4, 779.6, 779.9, 779.12a, 779.14, 779.18, 779.27, 779.28, 779.30, 779.31, 10113.5, 10113, 10203.5, 10203.55, 10207, 10208, 10209, 10270.6, 10270.94, 10320, 10350-10350.3, 10350.5-10350.7, 10350.10, 10350.11, 10369.1 and 10369.10, Insurance Code; and Sections 18290-18292, 22458.1, 22458.2, 24458.1 and 24458.2, Financial Code, 22314, 22315, 22455, Fin. C.

Amend § 2249.13 to read:

2249.13. Notice of Proposed Insurance Blocks.

A-1

NOTICE OF PROPOSED INSURANCE

The credit life and/or disability insurance you applied for will be effective only if we, _____ Insurance Company, _____ agree to insure you. If we agree to insure you, a policy or certificate which more fully describes the benefits and limitations will be sent to you within 30 days. If we don't insure you, you will be sent a refund

or credit on your account of your premium. If you do not receive a policy, a refund or a credit, contact your lender. The insurance will start on the Effective Date in the Schedule.

A-2

NOTICE OF PROPOSED INSURANCE

The credit life insurance you applied for will be effective only if we, _____ Insurance Company, _____ agree to insure you. If we agree to insure you, a policy or certificate which more fully describes the benefits and limitations will be sent to you within 30 days. If we don't insure you, you will be sent a refund or credit on your account of your premium. If you do not receive a policy, a refund or a credit, contact your lender. The insurance will start on the Effective Date in the Schedule.

A-3

NOTICE OF PROPOSED INSURANCE

The credit disability insurance you applied for will be effective only if we, _____ Insurance Company, _____ agree to insure you. If we agree to insure you, a policy or certificate which more fully describes the benefits and limitations will be sent to you within 30 days. If we don't insure you, you will be sent a refund or credit on your account of your premium. If you do not receive a policy, a refund or a credit, contact your lender. The insurance will start on the Effective Date in the Schedule.

~~B-1~~

~~The amount of decreasing life insurance will decline evenly during the Term of Insurance. If you select joint life, only one death benefit will be payable. We won't pay any claim if you commit suicide within 6 months of the Effective Date.~~

~~B-2~~

~~The amount of decreasing life insurance will decline evenly during the Term of Insurance. We won't pay any claim if you commit suicide within 6 months of the Effective Date.~~

B-3

The amount of life insurance is the total amount due on the loan (excluding unearned finance charges), outstanding on the date of the insured borrower's death. If you select joint life, only one death benefit will be payable. We won't pay any claim if you commit suicide within 6 months of the Effective Date.

B-4

The amount of life insurance is the total amount due on the loan (excluding unearned finance charges), outstanding on the date of the insured borrower's death. We won't pay any claim if you commit suicide within 6 months of the Effective Date.

B-5

The amount of decreasing life insurance will be the scheduled unpaid balance of your loan on the date of your death. If you select joint life, only one death benefit will be payable. We won't pay any claim if you commit suicide within 6 months of the Effective Date.

B-6

The amount of decreasing life insurance will be the scheduled unpaid balance of your loan on the date of your death. We

won't pay any claim if you commit suicide within 6 months of the Effective Date.

B-7

The amount of level life insurance will stay the same during the Term of Insurance. If you select joint life only one death benefit will be payable. We won't pay any claim if you commit suicide within 6 months of the Effective Date.

B-8

The amount of level life insurance will stay the same during the Term of Insurance. We won't pay any claim if you commit suicide within 6 months of the Effective Date.

B-9

The amount of life insurance is the total amount due on the loan (excluding unearned finance charges), outstanding on the date of the insured borrower's death. But we won't pay more than the Maximum Amount of Life Insurance in the policy or certificate. If you select joint life, only one death benefit will be payable. We won't pay any claim on an advance if you commit suicide within 6 months after that advance.

B-10

The amount of life insurance is the total amount due on the loan (excluding unearned finance charges), outstanding on the date of the insured borrower's death. But we won't pay more than the Maximum Amount of Life Insurance in the policy or certificate. We won't pay any claim on an advance if you commit suicide within 6 months after that advance.

C-1

If you are insured for total disability insurance, we will pay a benefit if you file proof that you became totally disabled while insured and continue to be totally disabled for more than 30 days. Payment will be calculated from the 31st day of disability. We won't pay the claim if your disability:

1. is a result of normal pregnancy or childbirth or
2. is a result of an intentionally self-inflicted injury or
3. begins within 2 years after the Effective Date as a result of a pre-existing medical condition. A pre-existing medical condition is one for which you saw or were under treatment by a physician or a chiropractor both within 6 months before **and** 6 months after the Effective Date shown in the Schedule.

C-3

If you are insured for total disability insurance, we will pay a benefit if you file proof that you became totally disabled while insured and continue to be totally disabled for more than 30 days. Payment will be calculated from the 31st day of disability. We won't pay the claim if your disability:

1. is a result of normal pregnancy or childbirth or
2. is a result of an intentionally self-inflicted injury or
3. as to each advance on your loan, begins within 6 months after the date of the advance as a result of pre-existing medical condition. A pre-existing medical condition is one for which you saw or were under treatment by a physician or a chiropractor both within 6 months before and 6 months after the date of the advance.

C-4

If you are insured for total disability insurance, we will pay a benefit if you file proof that you became totally disabled while insured and continue to be totally disabled for more than 30 days. Payment will be calculated from the 31st day of disability. Payments will stop:

1. When you recover,
2. When benefits are paid to the Scheduled Expiration Date, or
3. When benefits are paid for the Maximum Disability Benefit Period, whichever comes first.

We won't pay the claim if your disability:

1. is a result of normal pregnancy or childbirth or;
2. is a result of an intentionally self-inflicted injury or;
3. begins within 2 years after the Effective Date as a result of a pre-existing medical condition. A pre-existing medical condition is one for which you saw or were under treatment by a physician or a chiropractor both within 6 months before and 6 months after the Effective Date shown in the Schedule.

D-1

If your insurance stops before the Scheduled Expiration Date in the Schedule, you will be given a refund of unearned premium.

(DRAFTING NOTE: The following paragraph must be printed in at least 14-point type.)

You can cancel this insurance at any time by telling the creditor that you want to do so. You will get back ALL the premium you paid for this insurance if you tell us or the creditor to cancel it within 30 days after you receive this certificate. If you cancel this insurance after 30 days, you will not get back all the premium that you paid.

(DRAFTING NOTE: The following paragraph must be printed in at least 14-point bold face type.)

If you have a question, problem or complaint about this insurance, please contact the Creditor Beneficiary at the address and phone number shown in the Schedule or us at (insert address and telephone number of insurer and/or licensed insurance agent). If we do not resolve your question, problem or complaint to your satisfaction, you may then contact the

California Department of Insurance

300 South Spring Street

Los Angeles, CA 90013

(800) 927-4357 or (213) 897-8921

Primary Borrower

D-2

If your insurance stops before the Final Installment Due Date in the Schedule, you will be given a refund of unearned

premium.

(DRAFTING NOTE: The following paragraph must be printed in at least 14-point type.)

You can cancel this insurance at any time by telling the creditor that you want to do so. You will get back ALL the premium you paid for this insurance if you tell us or the creditor to cancel it within 30 days after you receive this certificate. If you cancel this insurance after 30 days, you will not get back all the premium that you paid.

(DRAFTING NOTE: The following paragraph must be printed in at least 14-point bold face type.)

If you have a question, problem or complaint about this insurance, please contact the Creditor Beneficiary at the address and phone number shown in the Schedule or us at (insert address and telephone number of insurer and/or licensed insurance agent). If we do not resolve your question, problem or complaint to your satisfaction, you may then contact the

California Department of Insurance

300 South Spring Street

Los Angeles, CA 90013

(800) 927-4357 or (213) 897-8921

Primary Borrower

D-3

(DRAFTING NOTE: The following paragraph must be printed in at least 14-point type.)

You can cancel this insurance at any time by telling the creditor that you want to do so. You will get back ALL the premium you paid for this insurance if you tell us or the creditor to cancel it within 30 days after you receive this certificate. If you cancel this insurance after 30 days, you will not get back all the premium that you paid.

(DRAFTING NOTE: The following paragraph must be printed in at least 14-point bold face type.)

If you have a question, problem or complaint about this insurance, please contact the Creditor Beneficiary at the address and phone number shown in the Schedule or us at (insert address and telephone number of insurer). If we do not resolve your question, problem or complaint to your satisfaction, you may then contact the

California Department of Insurance

300 South Spring Street

Los Angeles, CA 90013

(800) 927-4357 or (213) 897-8921

Primary Borrower

Note: Authority cited: Sections 779.21 and 779.27, Insurance Code. Reference: Sections 510, 779.3, 779.7, 779.9, 779.12a, 779.14, 779.15, 779.27 and 779.30, Insurance Code.

14. Amend Section 2249.14 to read:

2249.14. Sample ~~Policy Certificate~~ (Identification Number ~~4~~ 11).

Insurers Name and Complete Address
Called We or Us

SCHEDULE

Primary Borrower, called you, and Address

Co-Borrower, also called you

~~Policy Number~~

Source Code

Creditor Beneficiary and Insurance License Number

Class of Business

Secondary Beneficiary

Term of Insurance

Effective Date

Original Amount of Life Insurance

Scheduled Expiration Date

Monthly Loan Payment

Monthly Total Disability Benefit

Decreasing Life: Single () Joint (), Premium:

Disability: 30-day Elimination Period, Premium:

Total Premium:

Maximum Monthly Disability Benefit:

Maximum Amount of Life Insurance:

Group Policy Number

Certificate Number

APPLICATION OF BORROWER

You are applying for the credit insurance marked above. Your signature below means that you agree that:

1. You are not eligible for insurance if you have reached your 65th birthday.
2. You are eligible for disability insurance only if you are working for wages or profit 30 hours a week or more on the Effective Date.
3. Only the Primary Borrower is eligible for disability insurance.

DISABILITY INSURANCE MAY NOT COVER CONDITIONS FOR WHICH YOU HAVE SEEN A DOCTOR OR A CHIROPRACTOR IN THE LAST SIX MONTHS. (Refer to "Total Disabilities Not Covered" in your ~~policy~~ certificate for details.)

Date	Primary Borrower	Age
	Co-Borrower	Age

POLICY CERTIFICATE OF INSURANCE

You can cancel this insurance at any time by telling the creditor that you want to do so. You will get back ALL the premium you paid for this insurance if you tell us or the creditor to cancel it within 30 days after you receive this certificate. If you cancel this insurance after 30 days, you will not get back all the premium that you paid.

If you have a question, problem or complaint about this insurance, please contact the Creditor Beneficiary at the address and phone number shown in the Schedule or us at (insert address and telephone number of insurer and/or licensed insurance agent). If we do not resolve your question, problem or complaint to your satisfaction, you may then contact the

California Department of Insurance

300 South Spring Street

Los Angeles, CA 90013

(800) 927-4357 or (213) 897-8921

WHAT YOU GET

We certify that if we have been paid the premium shown in the Schedule you are insured for the coverage shown in the Schedule as provided in this policy, subject to the terms of the Group Policy issued to the Creditor.

WHO GETS PAID

Claim payments are made to the irrevocable Creditor Beneficiary named in the Schedule to pay off or reduce your debt. If claim payments are more than the balance of your debt, the difference will be paid to you or to the Secondary Beneficiary named in the Schedule, if any, or to your estate.

WHAT WE WILL PAY

Single Life Insurance Benefit. If you die while you are insured for single life coverage we will pay the amount of insurance in force at the time of your death after we receive proof of your death.

Joint Life Insurance Benefit. If you or your co-borrower die while insured for joint life coverage we will pay the amount of insurance in force at the time you or your co-borrower dies after we receive proof of the death. Only one death benefit is payable under this policy.

Amount of Life Insurance. The amount of life insurance is the ~~Original Amount of Life Insurance shown in the Schedule until the first payment due date. After that, your insurance declines each month by an equal amount. That amount is the Original Amount of Life Insurance divided by the number of months in the Term in the Schedule~~ scheduled unpaid balance due on the loan on the date of the insured borrower's death. The amount of life insurance does not include any delinquent payments or unearned interest.

Total Disability Insurance Benefit. If you are insured for total disability insurance, we will pay a benefit if you file written proof that you became totally disabled while insured and continue to be totally disabled for more than 30 days. Payment will be calculated from the 31st day of disability. The benefit will be equal to 1/30th of your Monthly Total Disability Benefit in the Schedule for each day of disability to be compensated. Payments will stop when you are not totally disabled any more or when benefits are paid to the Scheduled Expiration Date, whichever comes first.

Definition of Total Disability. During the first 18 consecutive months of total disability, total disability means that you are not able to perform the major duties of your occupation because of sickness or accidental injury. After the first 18 consecutive months of total disability, the definition changes and requires that you not be able to perform the duties of any occupation for which you are reasonably qualified by education, training or experience. You will be required to give us written proof of your continuing total disability from time to time.

WHAT WE WON'T PAY

Misstated Age. If you stated you are under 65, but you are not, we will return your premium when we discover this and will not pay any benefits. This also applies to your co-borrower, if you applied for joint life coverage.

Suicide. We won't pay any claim if you commit suicide, within 6 months of the Effective Date shown in the Schedule, but we will refund the life insurance premium. This also applies to your co-borrower, if you applied for joint life coverage.

Total Disabilities Not Covered. We won't pay the claim or refund the disability premium if your disability:

1. is a result of normal pregnancy or childbirth or
2. is a result of an intentionally self-inflicted injury or
3. begins within 2 years after the Effective Date as a result of a pre-existing medical condition. A pre-existing medical condition is one for which you saw, ~~or should have seen,~~ or were under treatment by a physician or a chiropractor both within the 6 months before and the 6 months after the Effective Date shown in the Schedule.

WHEN INSURANCE STOPS-REFUNDS

You can stop this insurance at any time. This insurance stops on the Scheduled Expiration Date, or when your loan is paid off, renewed, refinanced or otherwise stops, whichever happens first. If your insurance stops before the Scheduled

Expiration Date in the Schedule, you will be given a refund or a credit on your account of unearned premium. This refund or credit will be calculated using a formula approved by the Insurance Commissioner, but refunds or credits of less than ~~a dollar~~ \$5.00 won't be made.

WHAT THE CONTRACT IS AND HOW YOUR STATEMENTS AFFECT IT

~~This~~ The Group Policy, the Application for the Group Policy, and the attached Application of Borrower are the complete contract of insurance. All statements made by you in ~~the your~~ Application are considered to have been made to the best of your knowledge and belief. No statement can be used to void this ~~Policy insurance~~ or deny a claim unless that statement is in your signed Application. After 2 years during your lifetime from the ~~Effective Date,~~ in the Application, no statement made by you in your Application can be used to void this ~~Policy insurance~~ or deny a claim. This does not apply to your disability coverage (if any) if that statement was made fraudulently. If you stated in your Application that you are age 65 or older and we do not return your premium within 75 days of the Effective Date, you are insured.

RULES FOR FILING A TOTAL DISABILITY CLAIM

You must write us or our agent about your total disability claim within 30 days after the beginning of your total disability or as soon after that as you can. We will send you claims forms within 15 days after you tell us about the claim. If we don't send the forms in 15 days, you can simply send us written proof of your disability. The proof must show the date and the cause of the total disability and how serious it is, and it must be signed by a physician or a chiropractor. The proof of total disability must be sent to us no later than 90 days after the end of each period for which a total disability benefit is payable. If it is impossible to file within 90 days, you must file as soon as you can. Unless you have been legally incapable of filing the proof of total disability, we won't accept if it is filed after one year from the time it should have been filed. You can't start any legal action until 60 days after you send us the proof of your total disability, and you can't start any legal action more than 3 years after the proof is filed.

RULES FOR FILING A LIFE CLAIM

We must be given a certified copy of the death certificate as proof of a life claim.

CONFORMITY WITH STATE STATUTES

~~Any part of this policy which, on the Effective Date of the Policy, conflicts with the statutes of the state where the policy was delivered to you is changed to conform to the minimum standards of those statutes.~~

PHYSICAL EXAMINATION AND AUTOPSY

We at our own expense have the right, and you must allow us the opportunity, to examine your person as often as is reasonably required while a claim is pending and to make an autopsy in case of death, if it is not forbidden by law.

Secretary _____ President

Note: Authority cited: Sections 779.21 and 779.27, Insurance Code. Reference: Sections ~~779.1, 510, 779.2, 779.3, 779.4, 779.6, 779.8, 779.9, 779.12a, 779.14, 779.18, 779.27, 779.30, 779.31, 1758.99, 10113, 10113.5, 10203.5, 10203.55, 10207, 10208, 10209, 10127.5, 10320, 10350-10350.3, 10350.5-10350.7, 10350.10, 10350.11, 10369.1 and 10369.10, Insurance Code, and Section 120980(f), Health and Safety Code.~~

Amend § 2249.15 to read:

2249.15. Effective Date. (a) This Article shall be effective as of June 1, 1978. No credit life and/or disability insurance policy, certificate of insurance, notice of proposed insurance, application for insurance, endorsement or rider shall be

issued or delivered after April 1, 1979, unless it complies with this Article, including applicable filing requirements. Forms which have been approved pursuant to this Article may be issued or delivered after June 1, 1978.

(b) The following forms shall not be issued or delivered after ~~July 1, 1984~~ one year following the effective date of the 2006 amendments of this Article:

(1) Standard forms which do not comply with this Article as amended in ~~1983~~ 2006.

(2) Non-standard forms containing standard text which does not comply with this Article as amended in ~~1983~~ 2006.

Note: Authority cited: Sections 779.21 and 779.27, Insurance Code. Reference: Section 779.27, Insurance Code.

#397924